

DAILY REPORT

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UN DELEGATE DENOUNCES S. AFRICA-TAIWAN TIES

OW280756 Beijing XINHUA in English 0742 GMT 28 Nov 81

["South Africa's Apartheid Policy, Collaboration With Taiwan Denounced in U.N." -- XINHUA headline]

[Excerpt] United Nations, November 27 (XINHUA) -- China's representative to the United Nations Liang Yufan denounced the South African regime for collaborating with the authorities of China's Taiwan Province and pursuing an apartheid policy at the U.N. General Assembly meeting today.

Liang Yufan said, "The Chinese delegation strongly condemns the South African authorities for their acts of hostility towards the Chinese people and their violation of China's sovereignty." He said that in spite of the world people's opposition, the racist regime of South Africa has continued its apartheid policy, its illegal occupation of Namibia and its armed aggression against neighbouring countries. The Chinese Government and people, he added, will always support the just struggle of the people in South Africa and Namibia against racism and for national independence.

During the session, representatives from many countries also demanded the destruction of the apartheid system and the establishment of a democratic state in South Africa.

U.S.-SOVIET NUCLEAR ARMS TALKS BEGIN IN GENEVA

OW301636 Beijing XINHUA in English 1628 GMT 30 Nov 81

[Text] Geneva, November 30 (XINHUA) -- U.S.-Soviet talks on medium-range nuclear weapons in Europe officially started here today as the countries' delegations met on a chilly, snowy Geneva day. According to a joint announcement, the first meeting between Paul H. Nitze and Y. Kvitsinsky, heads of the U.S. and Soviet delegations, was "informal."

Although the talks have begun, the United States and the Soviet Union have yet to agree upon an official name for the talks. The Americans refer to them as "INF talks," talks on reducing intermediate nuclear forces in Europe. The Soviets refer to them as "the talks on nuclear arms limitation in Europe." In brief statements upon arriving at the Geneva airport, both Nitze and Kvitsinsky warned against "unrealistic expectations" about the meetings' results.

Shortly before the Geneva talks, U.S. President Ronald Reagan put forth a four-point initiative containing a "zero option," a proposal welcomed by the United States' West European allies. The proposal stressed that if the Soviet Union dismantles its medium-range nuclear missiles, including SS-20s, SS-4s and SS-5s, deployed in Europe the United States will refrain from deploying Pershing II and cruise missiles in Europe. However, Reagan's initiative was rejected by Brezhnev during his recent visit to West Germany.

RENMIN RIBAO on Talks

HK280752 Beijing RENMIN RIBAO in Chinese 28 Nov 81 p 6

[Unattributed report: "Western Public Opinion Says the Differences at the Bonn Talks Show That the Geneva Negotiations Will Be Difficult"]

[Text] Since Brezhnev's visit to Bonn, Western public opinion has held that the Bonn talks made clear the sharp differences of opinion between East and West on the question of theater nuclear weapons in Europe, and these will have a major effect on the U.S.-Soviet Geneva talks which will open on 30 November. REUTER said on 24 November, the U.S.-Soviet talks at Geneva "will be the most difficult and the most protracted."

According to reports, Reagan expressed satisfaction over the Bonn talks after West German Chancellor Schmidt informed him on 25 November about his talks with Brezhnev. Reagan said the attitude taken by the West German chancellor and the development process of the talks themselves were both "extremely encouraging." The previous day, Reagan said that Brezhnev's Bonn proposal on "a temporary halt in deployment" and "a big reduction" in MRBM's in Europe could be regarded as a basis for negotiations. However, he stressed that the United States would do everything in its power to gain agreement on the U.S. proposals. Reagan also pointed out, "Since we have not been busily reducing our armaments," the Soviet leaders were eventually willing to sit down to discuss nuclear disarmament. He held while carrying on the talks to the greatest possible extent, the United States would "continue" to strengthen its defenses.

Brezhnev's proposal was exposed and criticized by West German and other Western newspapers the moment it was put forward. The West German KOELNER STADTANZEIGER commented on 25 November that this proposal was a kind of "lure" to the West. On the same day, the SUEDEDEUTSCHE ZEITUNG published an article pointing out that the proposal was "an old proposal in new packaging," which had long ago been rejected by NATO and West Germany. The PROGRESSO D'ITALIA said on 26 November that Brezhnev had put forward this proposal and given a "display of superficial flexibility" as a "practical consequence of the firm attitude of all NATO members." The article warned, the Soviet Union had better bury its illusions as soon as possible if it is scheming to spin out the negotiations, in the hope that pacifist pressure will force the West to postpone the deployment of Pershing II and cruise missiles.

Commentary on Talks

01 272217 Beijing Domestic Service in Mandarin 1100 GMT 27 Nov 81

[Commentary from the "International Current Events" program]

[Text] According to an agreement reached between the United States and the Soviet Union, U.S. Secretary of State Haig and Soviet Foreign Minister Gromyko will begin negotiations in Geneva on 30 November on restricting theater nuclear weapons in Europe.

The so-called theater nuclear weapons are medium-range nuclear weapons. The United States and the Soviet Union have talked for more than 10 years on the so-called limitation of strategic nuclear weapons. The result: The more they negotiated, the greater the number of nuclear weapons on both sides. Now, the two sides are to negotiate on the issue of medium-range missiles again. What is that all about?

In the 1960's the Soviet Union was in an inferior position on intercontinental missiles. However, it had about 600 medium-range missiles that could hit Western Europe. In conventional force, the Warsaw Pact Organization -- with the Soviet Union as its mainstay -- far superior to NATO. Yet at that time, the Western countries felt they could counter the Soviet threat by relying on the U.S. strategic nuclear supremacy.

In the 1970's, however, the Soviet Union quickly caught up with the United States in strategic nuclear weapons. Since 1976, the Soviet Union has begun to deploy SS-20 multiple warhead medium-range missiles and Backfire bombers in Europe and its superiority in medium-range nuclear weapons has become increasingly conspicuous.

This serious Soviet military threat caused uneasiness among West European countries. In view of this situation, NATO made the decision in December to begin deploying 572 U.S.-made Pershing II missiles and cruise missiles in Western Europe in 1983 to counter the Soviet military threat, and to simultaneously call for negotiations with the Soviet Union. This is what is referred to as NATO's "dual resolution."

At first, the Soviet Union took a very rude and unreasonable attitude toward NATO's call for negotiations. It threatened that unless NATO canceled its decision on an arms buildup, the Soviet Union would refuse to negotiate with the West, and the East and the West would face a calamitous nuclear arms race. It attempted to take advantage of West European countries' economic difficulties and fear of war to force the West to voluntarily back off. This did not work. When pacifist antinuclear movements began surging in Western Europe, the Soviet Union saw this as an opportunity to take advantage and switched its emphasis to a peace offensive.

In February of this year at the 26th CPSU congress, Brezhnev made a series of proposals including a Soviet-U.S. summit talk, suspension of the employment of new medium-range nuclear missiles in Europe and negotiations on disarmament. This was followed by a series of diplomatic and propaganda offensives vigorously waving the banner of negotiations. On the other hand, the Soviet Union has openly and secretly added fuel to the flames of the pacifist movements in Western Europe attempting to sow dissension between Europe and the United States and directing the spearhead of the antinuclear movements in Western Europe against the United States. All the Soviet tricks are for one purpose, that is, to prevent NATO from an arms buildup in order to maintain its own military superiority.

After assuming office in the United States, the Reagan administration has taken a series of tough postures toward the Soviet Union. The Reagan administration has adopted a policy of rearmament, increased defense spending and put forward an arms expansion program for the next 5 years. On the issue of theater nuclear weapons in Europe, it maintains that deployment should precede negotiations. To build up defense and strengthen its negotiating position, the Reagan administration also announced the production of the neutron bomb in August of this year.

Such a tough U.S. stand has the support of Britain and France but has aroused concern among most West European countries, especially in West Germany. These West European countries believe that such a stand may lead to an uncontrollable arms race and increase the burden of their military expenditures. They also fear that the disruption of the detente process will reduce the chances for doing business with the Eastern bloc. They also worry that the U.S. refusal to negotiate with the Soviet Union will add fuel to the flames of the pacifist movements in Western Europe, making it more difficult to implement the "dual resolution."

At the same time, the Reagan administration, faced with economic difficulties at home, has found its ability falling somewhat short of its ambition. Its rigid foreign policy stand of refusing to talk to the Soviet Union has also met opposition from liberals in the United States. Under such circumstances, the Reagan administration has decided to open the door of negotiations in order to calm domestic opposition and improve its relations with Western Europe.

The United States and the Soviet Union reached agreement in September to hold talks. However, because they are sharply divided on stand and objectives, people generally believe that the talks will be long, drawn out and contentious. The prospect is not promising.

What are the basic stands of the Soviet Union and the United States? To put it simply, the Soviet Union does not acknowledge its superiority. Instead, it has stressed that the two sides have reached a general balance in medium-range nuclear weapons in Europe. It insists that the United States must not deploy Pershing II missiles and cruise missiles in Western Europe or else the general military balance will be disrupted. Therefore, the Soviet stand is: Under the condition that the United States does not deploy new missiles in Western Europe, the two sides will discuss the reduction of the existing nuclear weapons in Western Europe. In other words, it means that the Soviet Union may possess its SS-20 missiles, but NATO may not have the new U.S. missiles.

On the other hand, the United States believes that with the deployment of large numbers of the Soviet SS-20 missiles, the nuclear balance in Europe is now in favor of the Soviet Union.

The deployment of new missiles by the United States and its West European allies precisely aims at offsetting the Soviet advantages following the deployment of its SS-20 missile. Thus, the United States believes that NATO should uphold its 1979 decision on modernizing its theater nuclear force to reverse its inferiority. Therefore, it particularly emphasizes that the talks should concentrate on reducing the medium-range missiles of the two sides.

On the eve of the U.S.-Soviet talks, both sides have begun active pretalk maneuvering. Brezhnev tried to draw West Germany over to the Soviet side during his recent visit to Bonn. President Reagan made a speech on 18 November issuing a four-point disarmament proposal on limiting European theater nuclear weapons, strategic nuclear weapons and conventional weapons, and on preventing sneak attacks. Reagan accepted Western Europe's "zero option" formula which asks the United States to stop deploying medium-range missiles in West Europe in return for Soviet dismantling of SS-20, SS-4 and SS-5 missiles. Reagan's proposal was a U.S. offensive from a fairly advantageous point. It not only received the general support of West Europe, making it difficult for the Soviet Union to realize its attempt at dividing the United States and West Europe, it also leaves a strong impression among people that the Soviet Union enjoys nuclear superiority in Europe, thereby putting the Soviet Union in a defensive position on the question of arms reduction. While sharply attacking and categorically rejecting Reagan's proposal, the Soviet Union proposed that the U.S. forward-based nuclear weapons in Europe and the nuclear forces of Britain and France be included in the reduction lists.

With a pin against an awn, the two sides have already started a fierce skirmish on the eve of the talks. Indications are that under the present international conditions, the struggle between the United States and the Soviet Union will go on, talks or no talks. With the start of the talks, the two sides will enter a more fierce and complicated struggle.

OIL DRILLING EXHIBITION HELD IN GUANGZHOU

OW241440 Beijing XINHUA in English 0718 GMT 24 Nov 81

[Text] Guangzhou, November 24 (XINHUA) -- China's first international exhibition of technology and expertise on offshore drilling and engineering opened at the Guangzhou trade fair center here yesterday.

Exhibits at the Guangzhou offshore engineering have been supplied by 170 companies from Hong Kong and Macao and 22 foreign countries, including the United States, Japan, Great Britain, the Federal Republic of Germany and Singapore. Chinese scientists will deliver 17 scientific reports at special meetings during the exhibition.

The exhibition, which will end on November 27, was organized by the Wah-Chang International Marine Industry Company LTD, a joint venture of the Guangdong Shipbuilding Corporation and the Singapore-based Wah-Chang international group of companies.

MEDIA CRITICIZE SOVIET REPORTS OF URANIUM SALES

RENMIN RIBAO Report

HK301432 Beijing RENMIN RIBAO in Chinese 30 Nov 81 p 6

[Report: "PRAVDA's Fantasy"]

[Text] After China's permanent delegation to the United Nations explicitly stated that the fuss over the so-called transfer of China's nuclear material to South Africa was entirely groundless, PRAVDA continued to spread the rumor, going so far as to say that China "practically admitted" to having supplied South Africa with enriched uranium. This has once again revealed to what a shameless and preposterous extent Soviet anti-China propaganda is capable of by unscrupulously flying in the face of the facts.

A week ago, TASS picked up a groundless report from certain Western papers about China's sale of nuclear fuel to South Africa, spreading and playing it up as if it had found a treasure. But TASS, together with certain rumormongers in the West, suffered an immediate bankruptcy in the face of the facts. According to an AP dispatch from Washington on 19 November, U.S. Deputy Assistant Secretary for Science and Technology Affairs (Maloney) also indicated at a hearing of the Senate Nuclear Nonproliferation Subcommittee that he did not agree with the press report that China indirectly supplied South Africa with enriched uranium.

PRAVDA tried to prove otherwise by claiming China's categorical denial of the rumor as "practical admission." Obviously, this not only stemmed from the consistent bad habit of the Soviet hegemonists of imposing their views on others but, more important, was due to the fact that TASS had outdone itself in sowing dissension between Africa and the Third World and China by exploiting the rumor so that it was difficult for TASS to wind up the matter once it turned out to be nothing. PRAVDA's continued slanders, such as that "the Chinese leaders are strengthening the military potential of the Republic of South Africa" in an attempt to "checkmate the African national liberation movement," are proof of its unwillingness to reconcile itself to defeat.

XINHUA Commentary

OW011321 Beijing XINHUA in English 1228 GMT 1 Dec 81

["Commentary: Moscow's Unscrupulous Fabrication" -- XINHUA headline]

[Text] Beijing, December 1 (XINHUA correspondent) -- Recently, Washington and Moscow performed a duet in spreading the lie about China selling nuclear fuel to South Africa. After China's formal statement refuting the fabrication, Moscow has continued to play up the allegation.

As early as November 19, the Soviet TASS news agency reprinted a Washington POST report about China's alleged participation in a "nuclear alliance" supporting South Africa. This is an attempt to sow discord between China and other Third World countries.

On November 25, China's permanent mission to the United Nations issued a statement categorically refuting the fabrication. The statement said China has always refused to have any thing to do with the racist regime of South Africa, still less selling nuclear material to it. The statement declared: "Our investigations show that the allegation about Chinese nuclear material being trans-shipped to South Africa is utterly groundless."

However, the Soviet paper PRAVDA turned a deaf ear to the Chinese statement. Two days later, it went so far as to declare that "a Chinese official had actually to admit to pressmen that China is supplying the racists with enriched uranium." This is indeed absurd. Where on earth could PRAVDA find a single sentence in the Chinese statement to justify its conclusion?

In defiance of inexorable facts, the PRAVDA article said in conclusion: "The leadership of China is helping South Africa to strengthen its military potential and is encouraging the South African military who would like to keep under a nuclear threat the forces of the national liberation movements in Africa and to contribute to the proliferation [words indistinct]. The aim of the above allegation is obvious: to estrange China from the African countries and the national liberation movements. This is nothing new. In the last two years, the Soviets have earned themselves a bad name by invading Afghanistan and pursuing a policy of expansion in Third World countries. China's proposition about Soviet hegemonism has been confirmed by facts. Hence Moscow's eager hunt for opportunities to vilify China and impair her friendly ties with the African people.

In their effort to maintain their nuclear monopoly, the Soviet Union and the United States have sold large quantities of nuclear fuel to countries where they want to see nuclear proliferation. In the name of preventing "nuclear proliferation," they intimidate those they do not want to have nuclear fuel. They have even pinned the label of "contributing to the proliferation of nuclear weapons" on the countries which have exported small quantities of nuclear fuel for the peaceful use of nuclear energy.

The PRAVDA article's statement that "money does not smell...." is nothing but a vile and gross slander against China.

INDIAN HEALTH GROUP FETED BY HEALTH MINISTER

OW241635 Beijing XINHUA in English 1603 GMT 24 Nov 81

[Text] Beijing, November 24 (XINHUA) -- Members of a health delegation from India were guests of honor at a banquet hosted by Chinese Minister of Public Health Qian Xinzong here this evening. The delegation is led by S.S. Sidhu, secretary of the Ministry of Health and Family Welfare.

In their toast, Qian and Sidhu expressed the hope that cooperation between the two countries in medical and health fields would continue to develop.

The guests will study China's family planning and rural health work.

Meets Chen Muhua

OW271258 Beijing XINHUA in English 1236 GMT 27 Nov 81

[Text] Beijing, November 27 (XINHUA) -- Vice-Premier Chen Muhua had a cordial talk here today with a health delegation from India led by S.S. Sidhu, secretary of the Ministry of Health and Family Welfare. Also present were Tan Yunhe, Chinese vice-minister of public health, and K.S. Bajpai, India ambassador to China.

ZHAO, HUANG GREET BANGLADESH COUNTERPARTS

BK300924 Beijing in Bengali to India and Bangladesh 1530 GMT 29 Nov 81

[Text] Chinese Prime Minister Zhao Ziyang sent a message to Shah Azizur Rahman yesterday congratulating the latter on his appointment as prime minister of Bangladesh. The cable stated:

I extend hearty greetings to you on behalf of the Chinese government and in my own name on your assumption of the office of prime minister of the Government of the People's Republic of Bangladesh. It is my wish that the traditional friendship between the people of China and Bangladesh will grow day by day, that Bangladesh will prosper and that the well-being of its people will increase.

Chinese Deputy Prime Minister and Foreign Minister Huang Hua sent a message yesterday to Shamsul Haq on his reappointment to the office of the foreign minister of Bangladesh.

VICE PREMIER YAO YILIN MEETS SRI LANKA BANKER

OW261557 Beijing XINHUA in English 1514 GMT 26 Nov 81

[Text] Beijing, November 26 (XINHUA) -- Vice-Premier Yao Yilin met and had a cordial conversation with Dr. Warnasena Rasaputram, governor of the Central Bank of Ceylon, and his party at the Great Hall of the People tonight. Present at the meeting were Chang Yanqing, acting president of the Bank of China, and Sri Lanka Ambassador to China C. Mahendran.

The Sri Lanka guests arrived here November 23.

LEADERS GREET YUGOSLAVIA ON NATIONAL DAY

AU291653 Beijing in Serbo-Croatian to Yugoslavia 2000 GMT 27 Nov 81

[Text] Chinese leaders Ye Jianying, Zhao Ziyang and Huang Hua today sent telegrams to Yugoslav leaders Sergej Kraigher, Dragoslav Markovic, Veselin Djuranovic and Josip Vrhovec conveying warm greetings on the Yugoslav National Day.

The telegram by Ye Jianying, chairman of the NPC Standing Committee, to Sergej Kraigher, president of the SFRY Presidency, says:

On the occasion of the SFRY National Day, I convey in this way, on behalf of the PRC and the Chinese people and on my own behalf, the most cordial congratulations and best wishes. It is with pleasure (?that I hope that) Yugoslavia may further develop and improve its socialist self-management, strengthen the unity of the peoples and nationalities and adhere to the nonaligned policy. The heroic Yugoslav peoples and nationalities are marching forward fully loyal to the road marked by Tito.

I hope that your country will achieve many successes (?in its struggle to) maintain its independence, sovereignty and territorial integrity and protect all that (?it has achieved) in socialist building. I hope for a constant strengthening of (?brotherly) and friendly relations and cooperation between our two socialist countries.

The telegram by Ye Jianying, chairman of the NPC Standing Committee, sent to Dragoslav Markovic, president of the SFRY Assembly, says:

On the occasion of the SFRY National Day, I express on behalf of the NPC Standing Committee and all the Chinese people (?cordial) congratulations and best wishes. I congratulate your country on the growing successes in socialist building and (?I wish) strength and well-being to friendly Yugoslavia.

The telegram by Zhao Ziyang, premier of the PRC State Council, to Veselin Djuranovic, president of the Federal Executive Council, says:

On the occasion of the SFRY National Day, I express on behalf of the Chinese Government and the Chinese people and on my own behalf the most sincere congratulations and wishes. I hope that the SFRY may be strong and may flourish and that the people be happy. I welcome the constant expansion and development of comprehensive friendly cooperation between the two countries and the two peoples of China and Yugoslavia.

The telegram from Huang Hua, vice premier and minister of foreign affairs of the PRC, sent to Josip Vrhovec, SFRY federal secretary for foreign affairs, says:

On the occasion of the National Day, I convey to you (?warmest) greetings and best wishes. I welcome the constant advancement and development of friendly cooperation between our two socialist countries. I also hope for even greater successes for your country in its socialist building and in its struggle to protect the principles of nonalignment, as well as happiness to your peoples and nationalities.

ALBANIA LIBERATION ANNIVERSARY MARKED IN BEIJING

OW281524 Beijing XINHUA in English 1515 GMT 28 Nov 81

[Text] Beijing, November 28 (XINHUA) -- Albanian Ambassador to China Jonuz Mersini and Mrs. Mersini gave a reception here today to mark the 37th anniversary of the liberation of Albania.

Among the guests were Chinese Vice-Minister of Foreign Affairs Zhang Canming and Vice-President of the Chinese People's Association for Friendship With Foreign Countries Xie Bangding. Foreign diplomatic envoys were also present.

COVERAGE CONTINUES OF 4TH SESSION OF 5TH NPC

Radio 'Excerpts' Zhao Report

OW301652 Beijing Domestic Service in Mandarin 1200 GMT 30 Nov 81

[Text] At the Fourth Session of the Fifth NPC this afternoon, Zhao Ziyang, premier of the State Council, gave a report on the work of the government entitled "The Present Economic Situation and the Principles for Future Economic Construction."

The report is divided into three parts:

1. The present economic situation;
2. The principles for future economic construction; and
3. The prospects for our country's economic development.

This program will broadcast excerpts of the report's first part: The present economic situation.

In his report on the work of the government, Premier Zhao Ziyang said in the past year our economic work has advanced while consolidating our achievements and overcoming the difficulties facing us. It has developed in the course of further summing up experiences and enhancing our understanding.

Last October and November the State Council successively convened a plenary meeting and a national conference of governors, mayors and chairmen of autonomous regions to discuss economic work. The CCP Central Committee then held a work conference in December. After making a realistic appraisal of the situation in the country, the work conference made a major policy decision calling for further economic readjustment and political stability.

Since the beginning of this year, governments at all levels have resolutely carried out a series of emergency measures to further readjust the national economy, achieving remarkable results. According to the actual conditions over the past 11 months, I can report with assurance to the session: The 1981 national economic plan is expected to be successfully fulfilled, and the objective of stabilizing the economy can be basically realized. Total industrial and agricultural output value not only has not declined but will increase about 3 percent over last year despite a large-scale readjustment and serious natural disasters this year. The overall economic situation is far better than expected. Our national economy has embarked on the road of steady development.

Zhao Ziyang said economic stability is first reflected by the fact that a near balance between revenues and expenditures and between credit receipts and payments has been achieved. Our country's financial deficit is expected to drop from 17 billion yuan in 1979 and 12.7 billion yuan in 1980 to 2.7 billion yuan this year. From a big financial deficit, we have achieved a near balance between revenues and expenditures in a very short time. It is no easy job for any country. However, we have rather smoothly achieved this goal thanks to the high trust in the government by the people of all nationalities throughout the country and by their hard work. This proves that the policy decision of the CCP Central Committee and the State Council is entirely correct. This also proves the tremendous superiority of our country's socialist system. While we have achieved a near balance between revenues and expenditures, market prices have remained basically stable. The all-round increase in agricultural production is the foundation of economic stability and development in our country. The agricultural situation throughout the country is still very good despite the fact that a number of provinces and regions were hit by serious floods or droughts this year. Total grain output is expected to come close to the 1979 level, and this is the second best year for grain production since the founding of the PRC. Cotton output is greater than the record 1980 figure. Oil-bearing crops have increased about 17 percent over last year, which was the third successful year in a row. Sugar crops are likely to grow by more than 10 percent over last year.

Fresh achievements have also been made in forestry, animal husbandry and fishing. Commune- and brigade-run enterprises have continued their development. Commune members' domestic sideline production has developed even faster. The situation throughout the countryside is vigorous, and the broad masses of commune members are jubilant. Agriculture is developing vigorously. All those who are concerned about the fate of the 800 million peasants are greatly inspired by all this.

The floods that hit Sichuan, Shaanxi, Guangdong, Guangxi, Heilongjiang and Liaoning and the droughts that hit north China and some other areas have seldom been seen in history.

With vigorous support from various parts of the country, party and government cadres, PLA commanders and fighters and the masses of people in those localities worked hard together to overcome various difficulties caused by the natural disasters, thus rapidly resuming production. Proper arrangements have been made for the livelihood of the masses, and social order has remained stable.

Extra huge flood crests appeared on the upper reaches of Chang Jiang and Huang He, and the situation was critical. Fighting heroically, the masses of soldiers and civilians along the rivers finally brought the flood under control and guided the waters into the sea. The Gezhouba key water control project, the Longyang Gorge hydroelectric power project and the Liujia Gorge hydroelectric power station all successfully withstood the test.

The Cheng-Kun railway, Bao-Cheng railway and the Taoji-Tianshui section of the Long-Hai railway were hit by floods and mudslides and suffered serious damage. They were repaired within a very short time. People at home and abroad who were deeply concerned about the effects of the disasters were relieved and impressed.

Light industrial output has increased by a large margin, thanks to the policy of emphasizing the production of necessities and consumer goods and a series of concrete measures. It is estimated that the total output value of the light and textile industry this year will increase by 12 percent over last year. The variety of colors and designs of light industrial and textile goods has increased, and their quality has continued to improve. There are obviously more high- and middle-grade products available. Goods in general are increasingly abundant and varied. Everyone can see that the markets in our country have changed greatly from what they were a few years ago.

Heavy industrial production is undergoing readjustment, and it is estimated that output value this year will drop by about 5 percent from that of last year. Since the beginning of the latter half of this year, a lot of work has been done in the field of heavy industry to change its service orientation, curtail production of goods in excessive supply and increase production of goods badly needed by the people and goods for export, and initial successes have been achieved. Since the beginning of the fourth quarter, heavy industrial output has begun to rise again.

Railway, water transport, highway, civil aviation and postal and telecommunications departments have done well in fulfilling plans. Transport of important materials and passenger traffic are in the main guaranteed.

Capital construction should be sufficiently cut back. This has been an important part of the year's readjustment task. The problem of the overextended capital construction front is being solved step by step, and investment is used much more rationally than before. The emphasis of capital construction investment this year has been placed first on the light and textile industry, which is closely related to the people's livelihood. Next comes energy, building materials and transport and communications. The proportions of education, science, culture, public health and urban public utilities have all increased to varying degrees as compared with the past.

Scientific research, guided by the correct principle of close links with economic construction, is playing an important role. In 1980 more than 2,600 major achievements were made in scientific research throughout the country. More have been made this year, and of these 50 percent have been applied in production.

Large area popularization of hybrid rice, lumian No 1 cotton and other superior varieties has played a remarkable role in increasing grain and cotton output. In the industrial field, nearly 10,000 new products and technological processes have been trial-produced and experimented with this year, and half of these have been put to use. The successful launching of three satellites by one carrier rocket marks a new level of science and technology achieved by our country.

Both domestic and foreign trade has expanded. In domestic markets sources of goods have increased, and the supply situation has been quite good. It is estimated that the total volume of retail sales of commodities this year will increase by 9 percent over last year. While both buying and selling have increased by a relatively large margin, goods in stock this year have not shown any decrease and have possibly increased by 10 billion yuan. Urban and rural collectively-owned commerce and individual commerce as a supplement to state and collectively-owned commerce have all developed quite rapidly. We have made new developments in economic and technological exchanges with foreign countries. The total volume of imports and exports this year will show a rather large increase over last year.

Zhao Ziyang said in his report: the people's livelihood has continued to improve. With all-round increases in agricultural production, the peasants' income, after increasing by a rather large margin in the previous 2 years, has again increased markedly this year. Numerous commune members' production teams, production brigades, communes and counties in all parts of the country have reported large increases in income. It is especially encouraging that production and people's livelihood have greatly improved and that the outlook has profoundly changed in areas where conditions were comparatively poor and production backward, such as western Shandong, eastern Henan, northern Jiangsu and areas north of the Huai He in Anhui. An important indication of improvement in the living standard of peasants is the rapid increase of new homes. According to incomplete statistics, 900 million sq m of new houses have been built in the rural areas over the last 3 years.

In cities and towns employment was provided for 4.77 million people from January through September this year, and it is estimated that a total of 8 million people will be given employment this year. It has been decided that the wage scales for middle and primary school teachers and some medical and sports personnel will be raised beginning this October.

While capital construction investment is being greatly reduced, investment for construction of workers and staff houses this year has remained at the same level as last year. The floorspace of workers and staff houses completed in cities and towns throughout the country will reach 80 million sq m. Housing conditions for people in cities and towns have improved somewhat.

Savings deposits of people in urban and rural areas from January through October this year increased by 9.5 billion yuan to a total of 49.4 billion yuan. This is an important indication of the improved livelihood of the masses of the people. It is also an important indication that the masses of the people are full of confidence in the future of our country's economic development.

The above-mentioned facts fully show that in the present course of further readjustment the guiding ideology is correct, the process of development is sound, and the results are remarkable. Through the readjustment, we have basically accomplished the goal of stabilizing the economy as a whole and have further consolidated and developed the political situation of stability, unity and liveliness throughout the country.

Zhao Ziyang pointed out: The adoption of the policy of readjustment, restructuring, reorganization and upgrading marked a fundamental change in the guiding ideology for our country's economic construction. Since 1979 we have readjusted our rural policies and guaranteed the right of production teams to make their own decisions. In the past nearly 3 years, the rural areas in our country have widely implemented various forms of production responsibility systems.

This is a new form of management and distribution for socialist agriculture under our country's specific conditions. We have firmly grasped the two important links -- establishing and perfecting the production responsibility system and developing a diversified economy. At the same time, we have increased the purchase prices of agricultural and sideline products by a rather large margin and decided to import a certain amount of grain each year. All this has had an important bearing on readjusting crop distribution, developing a diversified economy in line with local conditions and rehabilitating the rural areas.

In the industrial field, the implementation of the policy of readjustment, restructuring, reorganization and upgrading is slightly different from its implementation in the agricultural field. In industry the main emphasis is on readjusting internal proportional relations supplemented by necessary restructuring.

The proportions in the distribution of national income have also changed markedly. The serious imbalance between accumulation and consumption in the past has been greatly improved.

Zhao Ziyang said great achievements have been made in economic readjustment over the past year, but we must also see that the potential dangers in the national economy have not been completely removed. The basic balance between revenues and expenditures this year has been achieved by cutting spending; therefore, it is not solid. To maintain a basic balance in finance and credit so that an increase in consumer goods production is adapted to an increase in social purchasing power and so that market prices are kept basically stable, and, on this basis, to bring about a balanced development of the national economy and fundamentally improve financial and economic conditions, it will still take a considerably long time and require hard work.

At the Second Session of the Fifth NPC in June 1979, the State Council suggested doing a good job of readjusting, restructuring, reorganizing and upgrading the national economy in 3 years' time. As our experience grows, our understanding of this policy also deepens. As far as readjustment is concerned, it is necessary not only to readjust the proportional relationships between industry and agriculture, light industry and heavy industry and accumulation and consumption, but also to readjust the product mix, technical structure, enterprise structure, organizational structure and so forth in order to rationalize the economic structure. Thus, the content of economic readjustment has turned out to be much more extensive than was originally envisioned. For all-round structural reform of economic management, an even longer period of time will be required. Therefore, the State Council believes that beginning this year it is necessary to continue implementing the policy of readjustment, restructuring, reorganization and upgrading for 5 more years or even longer. Only in this way can we really stand firm, lay a solid foundation and advance more successfully.

In concluding the first part of his report on the work of the government, Premier Zhao Ziyang said the achievements in economic construction over the past year or so are the result of the common struggle by the people of all nationalities throughout the country under the leadership of the Chinese Communist Party.

The workers, peasants, intellectuals and cadres on the economic front have made strenuous efforts and labored assiduously. The vast numbers of cadres and the masses on the education, science, cultural, press, publishing, public health, political, judicial, foreign affairs and other fronts have utilized their initiative and creativity, done a great deal of work and made remarkable achievements in the socialist modernization program with economic construction as the central task. On the sports front, news of victory has kept coming in since the beginning of the year. Recently, our women's volleyball team won the world championship for the first time. This is encouraging to the people of all nationalities throughout the country now engaged in modernization. On behalf of the State Council, I extend our highest regards to the comrades of the above-mentioned fronts.

The People Liberation Army has resolutely implemented the party Central Committee's line, principles and policies; strengthened ideological and political work; stepped up military training, strengthened its sense of organization and discipline; actively defended and participated in socialist construction; and continued to play its role as a staunch pillar of the people's democratic dictatorship. The troops and militiamen guarding the border areas and the heroes defending Koulun Mountain and Eka Mountain are constantly on guard against provocations and invasions by imperialism and hegemonism while defending the sacred borders of our country. In safeguarding public security, striking at criminals and reforming and educating those who took a wrong step in life, the public security cadres and policemen have made outstanding achievements. On behalf of the State Council, I extend our highest regards to them.

Television Shows Session

HK010514 [Editorial Report] Beijing Domestic Television Service in Mandarin on 30 November in its newscast at 1100 GMT carries a 7.5-minute filmed report on the 30 November opening of the Fourth Session of the Fifth NPC in the Great Hall of the People in Beijing.

The film opens with a long shot of some 150 people arriving at and entering the Great Hall of the People. This is followed by a shot of a Beijing television station reporter in the main auditorium of the hall explaining the purpose of the NPC session. After a long shot of NPC leaders on the rostrum and several uniformed male and female attendants standing behind them, the camera gives another long shot of some 3,000 people in the auditorium attending the session. Neither of the top leaders' arrival at the rostrum is shown. The first close-up shot is of Ye Jianying, executive chairman of the session and chairman of the NPC Standing Committee, who is seen and heard addressing the participants in the session. He is then seen and heard asking all participants to stand up. Immediately after this shot, the camera gives a long shot of Ye and all other top leaders standing on the rostrum and a female attendant standing behind Ye. During Ye's speech, Premier Zhao Ziyang is seated behind Ye in the second row of the rostrum. After the playing of national anthem, Ye is heard asking all participants to be seated. He is then seen and heard asking Premier Zhao to deliver a report on the work of the government. CCP Central Committee Chairman Hu Yaobang, and Vice Chairmen Deng Xiaoping, Li Xiannian and Chen Yun are seated in the third row of the rostrum during Zhao's report. The film shows that NPC vice chairmen are seated in the first row of the rostrum and State Council vice premiers are seated in the second row. NPC Vice Chairman Wei Quoping in PLA uniform in the first row of the rostrum is seen listening to Zhao's report. After this, the camera gives a shot of more top party leaders in the third row of the rostrum. They are: Hu Yaobang; Deng Xiaoping, wearing an audiophone; Li Xiannian; Chen Yun; Hua Guofeng; Wang Zhen; Xu Shiyu, in PLA uniform; Li Desheng, in PLA uniform; and Zhang Tingfa, in PLA uniform. Unidentified diplomatic envoys of various countries and foreign correspondents are also seen listening to Zhao's report. The film ends with a long shot of the participants in the auditorium listening to the report.

Ye Fatigued, Deng Spry

OW010153 Tokyo KYODO in English 0124 GMT 1 Dec 81

[Text] Beijing, Dec 1 (KYODO) -- Chinese Standing Committee Chairman Ye Jianying showed signs of fatigue during the current session of the Fifth National People's Congress Monday, observers said.

The aging Ye was helped to his chair in the Great Hall of the People by a uniformed assistant, and a uniformed female attendant came to his side about 30 minutes into the session to wipe perspiration from his forehead, neck and hands, they said. The Standing Committee chairman was the only party official on the stand to receive the special treatment.

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Meanwhile, observers said Vice Chairman Deng Xiaoping appeared healthy at the opening session of the Chinese People's Political Consultative Conference Saturday. Though accompanied by a uniformed female attendant, Deng talked vigorously with party Chairman Hu Yaobang, and appeared to be his usual self, the observers said.

Zhao Continues Report 1 Dec

OW010410 Beijing XINHUA in English 0354 GMT 1 Dec 81

[Text] Beijing, December 1 (XINHUA) -- The Fourth Session of the Fifth National People's Congress met again this morning to hear the last part of Premier Zhao Ziyang's government report and Minister of Finance Wang Bingqian's report on 1980's final state accounts and the execution of financial estimates for 1981.

Premier Zhao Ziyang said that a fundamental change for the better in China's finance and economy was the main target of the sixth five-year plan period between 1981 and 1985.

During this period, he said, it is essential to ensure that the national income will increase at an equal or approximately equal rate with the gross output of industry and agriculture, and that a greater portion of the national income will be used to improve the people's living standards.

He said that the last decade of this century will very likely be a period of vigorous economic development, accompanied by a comparable improvement in the people's living standards and in education, science, technology, culture and national defence.

When the premier finished reporting, Finance Minister Wang Bingqian told the congress that this year's revenues and expenditures have been basically balanced, with the total revenue reaching an estimated 105,860 million yuan, topping the budgetary estimates by zero point two percent, and the total expenditure reaching 108,580 million yuan, topping the budgetary estimates by 2.8 percent.

He declared that the deficit has dropped to 2,720 million yuan, 2.6 percent of the budgetary estimates.

The tremendous drop in the deficit, he said, shows a turn for the better in the financial and economic situation. This will have a great bearing on the country's political unity and stability and the steady and sustained development of the national economy.

The finance minister said that further work would be done next year to improve the financial system and to draft laws and regulations in the context of the economic system reform.

The session distributed an explanation note by Peng Zhen, vice-chairman of the committee for revising the constitution, on putting off the schedule for examining the draft revision of the constitution until the next session of the Fifth National People's Congress.

The State Council distributed a report on the main points of the 1982 economic and social development program (draft) for the deputies to examine.

Ulanhu, vice-chairman of the N.P.C. Standing Committee, presided over today's session.

1981 Economic Gains Noted

OW010213 Beijing XINHUA in English 0156 GMT 1 Dec 81

[Text] Beijing, December 1 (XINHUA) -- Premier Zhao Ziyang told the Fourth Session of the Fifth National People's Congress today that China's economic situation has improved steadily since the second quarter of this year.

As compared with the corresponding periods of last year, he said, gross industrial output dropped by 0.2 percent in the first quarter, but increased 1.7 percent in the second quarter. In the third quarter it was up three percent and in October, 10.6 percent.

He predicted that the situation would be better still next year.

The premier said that China plans an increase of four percent in both the total output value of industry and agriculture and the national income for 1982, the second year of the sixth five-year plan period. Efforts will be made to exceed the target. The 1981 increase is estimated at around three percent.

He said that there must be a big increase in the output of agriculture and light and textile industries next year, while heavy industry should rise in production and not drop as it did this year.

Retail sales will go up by eight percent in 1982, he said, while expenditures on education, science, culture, public health, physical culture and other undertakings will be up 5.9 percent.

Resist 'Bourgeois Ideology'

OW010225 Beijing XINHUA in English 0210 GMT 1 Dec 81

[Text] Beijing, December 1 (XINHUA) -- Premier Zhao Ziyang told the National People's Congress today that it was necessary to resist and overcome the corrosive influence of exploiting class ideologies and deal blows at the criminal activities that undermine socialism.

The rapid increase in international exchanges and the inroad of corrupt bourgeois ideology and way of life, he said, have led to the recurrence in some places of a mentality that disregards national dignity.

Zhao Ziyang warned government functionaries, particularly those engaged in economic work, against the influence of corrupt bourgeois ideology and way of life. He stressed the need to educate young people and enable them to resist erroneous ideologies.

The premier pointed out that on the ideological front there existed a trend of bourgeois liberalization, a trend to shake off party leadership and get away from the socialist orbit. This trend must be resolutely overcome, he said.

Because of imperfect laws and management systems and the laxity of leadership in some places and departments, various kinds of criminal activities in the economic field, such as speculation, smuggling, tax evasion, embezzlement and bribery, have become quite rife in some places, Zhao Ziyang noted.

Such criminal activities must be seriously dealt with, he said. Government functionaries engaged in criminal activities will all be severely punished, he said.

The premier urged continued efforts to strengthen economic legislation and judicial work so as to deal with all kinds of economic criminals effectively.

Taiwan Policy Reiterated

OW010247 Beijing XINHUA in English 0230 GMT 1 Dec 81

[Text] Beijing, December 1 (XINHUA) -- Premier Zhao Ziyang today reiterated the Chinese Government's policy for the return of Taiwan to the motherland and the reunification of the country at an early date.

Addressing the Fourth Session of the Fifth National People's Congress, he said that efforts should be made in line with the principles proclaimed on September 30 this year by Ye Jianying, chairman of the Standing Committee of the National People's Congress, and the speech delivered by Hu Yaobang, chairman of the Chinese Communist Party Central Committee, at the rally commemorating the 70th anniversary of the 1911 revolution.

In foreign affairs, the Chinese Government will adhere to the line, principles and policies enunciated by Mao Zedong and Zhou Enlai, oppose hegemonism, safeguard world peace, support the people of all countries in their just struggles, and work for the progressive cause of mankind, he said.

Bureaucracy To Be Reduced

OW010250 Beijing XINHUA in English 0232 GMT 1 Dec 81

[Text] Beijing, December 1 (XINHUA) -- Premier Zhao Ziyang said today that Chinese government organs will be reduced in size to overcome bureaucracy and raise efficiency.

Reporting on government work at the Fourth Session of the Fifth National People's Congress, the Chinese premier said it has been decided that the reform will start with departments under the State Council and be completed within a limited period of time.

The premier said that there will be a fairly large organizational reduction or amalgamation of these departments, a maximum reduction of the staff, and a fairly big shuffle of leading members.

He called on leading cadres and staff members in these departments to set an example for local governments at various levels.

He said that bureaucracy in political life and economic administration would be a serious obstacle to China's modernization.

The premier said that the State Council recently discussed the problem of bureaucracy at the suggestion of the Central Committee of the Chinese Communist Party and decided to take firm steps to trim the bloated overlapping administrative structure which causes low efficiency.

He proposed that the functions and powers of the departments under the State Council and the local governments at various levels and the duties of their staff be legislated. There must be a strict assessment and a system of reward and punishment for government functionaries.

Starting from January next year, he said, large numbers of cadres from central and local departments will be sent down to various enterprises to help them improve management.

Wang Bingqian Delivers Report

OW010433 Beijing XINHUA in English 0403 GMT 1 Dec 81

[Text] Beijing, December 1 (XINHUA) -- The tremendous drop in China's financial deficit this year is an important victory, said Minister of Finance Wang Bingqian today.

Addressing the Fourth Session of the Fifth National People's Congress, he stated that total revenue in 1981 was expected to be 105,860 million yuan (Renminbi), topping the budget estimate by zero point 2 percent and total expenditure 108,580 million yuan, 2.8 percent over the budget estimate.

That meant that the deficit would come to 2,720 million yuan, namely, 2.6 percent of the budgetary estimate.

Deficits were 17,000 million yuan in 1979 and 12,750 million yuan in 1980. The drop showed initial improvement in China's financial and economic situation. This was of great significance to the steady and sustained growth of the national economy in the future.

The specific accounts listed in his report are:

Revenue:

Domestic revenues 97,860 million yuan, foreign loans 8,000 million yuan.

Domestic revenues: taxes 60,900 million yuan (104.9 percent of estimate), revenues from enterprises 34,720 million yuan (92.7 percent of estimate).

Expenditures:

Domestic expenditures 100,580 million yuan (103 percent of estimate), appropriations for capital construction using foreign loans 8,000 million yuan (100 percent of estimate).

Domestic expenditures:

Appropriations for capital construction 25,060 million yuan.

Expenses for transformation of enterprises and tapping potential and development of new products 5,830 million yuan,

Aid to rural people's communes and operating expenses for agriculture 7,300 million yuan.

Culture, education, health and science 17,000 million yuan.

Military expenditures 16,870 million yuan.

Administrative expenses 7,240 million yuan. (121.3 percent of estimate. The overspending results from additional pay and other expenses for demobilized army men transferred to do civilian work and for strengthening public security, procuratorial and judicial work.)

The Central Committee of the Chinese Communist Party and the State Council, while making an all-round appraisal of the economic situation around the end of last year, set out the principle of taking further steps to readjust the economy and called for a basically balanced budget and credit and stabilization of market prices in 1981.

The minister said that the experience in the past month testified to the correctness of the principle.

He dealt with the five measures taken this year to implement the principle:

1. Promote the growth of agriculture and light industry, and expand production of consumer goods to increase state revenue. Despite serious natural calamities, gross output value of agriculture this year was expected to be around four percent higher than last year. State gave priority in funds power, raw and semi-finished materials and transportation and communications for the growth of light industry and production of consumer goods. Output value of light industry was expected to be 12 per cent over last year. This had helped meet the urban and rural market demands for consumer goods, withdraw excessive currency from circulation and basically balance state revenue and expenditures.

2. Reduce capital construction investment. Total investment in capital construction this year was expected to be 38,000 million yuan as against 53,900 million yuan in 1980. State investment was cut by 10,400 million yuan, and investment by localities and enterprises, 5,500 million yuan. Of the 1,714 construction items listed for suspension or delay, including those with no proper conditions for construction or operation and redundant ones, 1,546 were halted in the first half of this year, freeing funds and materials for urgently needed items.

3. Increase expenditures on culture, education, health work and science and reduce other expenditures. State appropriations were expected to rise to 17,000 million yuan from 15,630 million yuan last year: education up 8.1 percent; health work, 7.2 percent; and science, 21.3 percent. The state had allocated 1,090 million yuan in relief funds due to serious floods and droughts in a number of areas. Apart from all this, other state expenditures had dropped and the total would be 13,390 million yuan less than last year.

4. Increase wages of primary and middle school teachers and some medical personnel and physical culture workers. Employment was expected to rise by eight million. Construction of public utilities and urban housing would continue to expand.

5. Issue treasury bonds. The total was 4,870 million yuan for the whole country. In addition, 7,000 million yuan had been borrowed from local revenue.

The balance between credit receipts and payments was also good. The bank would issue less currency than last year. Most of the additional money issued this year had been used to expand production and improve commodity circulation and is therefore normal issuance. The price index rise would be smaller than last year and prices for the basic necessities remained stable.

The difficulties confronting the state financial structure remained big: economic readjustment could not allow rapid increase in state revenue while appropriations for price subsidies, culture, education, health and medicine and scientific research, urban construction and housing as well as energy and transport facilities would have to be increased. It would take quite a long period of strenuous efforts to achieve a basically balanced budget and balanced credit payments.

The state budget for 1982 projects revenue at 110,000 million yuan, 3.9 percent more than this year, and total expenditures, 113,000 million yuan, 4 percent more than this year's figure.

Even if expenditure and revenue were balanced, there would still be a 3,000 million yuan deficit. In order to ensure a steady development in the national economy, some expenditures could not be further reduced and others would have to be increased.

Conditions for a balanced budget next year were favorable, he said. The big increase in the production of all economic crops would provide more raw materials for the light and textile industries; there would be a better ratio among the various branches of the economy; the economic results of industrial production would improve; effective measures to conserve energy and use raw materials economically would stimulate production; state expenditures had been cut to the desired level; and the state had adopted a series of effective policies and measures. Given energetic efforts, the financial situation was bound to improve.

The minister of finance said that next year further work would be done to improve the financial system and to draft laws and regulations covering accounting, costs and depreciation of fixed assets.

The state had decided to establish auditing departments from the center right down to the grassroot level to audit and supervise all economic undertakings.

On the final state accounts for 1980, Wang Bingqian said that the total revenue was 108,520 million yuan, topping the budget by 2.1 percent, and the total expenditure was 121,270 million yuan, topping the budget by 6.1 percent.

COMMENTATOR DISCUSSES LEADERSHIP METHODS

HK301042 Beijing RENMIN RIBAO in Chinese 24 Nov 81 p 2

[Commentator's article: "Encouraging the Leadership Method of Seeking Truth From Facts"]

[Text] Most commune members in Yaoshan brigade in Qin County agreed to continue the responsibility system of dividing up production tasks among the commune members and linking remuneration to output, but the brigade leaders were afraid of being criticized for conservativeness and were hesitant. After investigation and study, Yi Yaoguang, secretary of the county CCP committee, clearly supported the opinion of the majority, and it was soon decided that this responsibility system would be continued. County leaders go deep among the masses to improve the responsibility systems in accordance with actual conditions. This leadership method deserves commendation.

It is easier to suggest, than to determine, which responsibility system is to be adopted in line with the local conditions. Why is it that some places have agreed the responsibility systems should not "take the same form" in different districts and yet they have not really adopted this idea in practice? Why do they oppose the higher authorities "taking the same form" and yet require the lower levels to do so? This has something to do with their comprehension and work style as well as the influence of the "leftist" guiding ideology of "giving administrative orders" and "doing things rashly." Some comrades have misunderstood the responsibility system of fixing output quotas for each household and assigning households full responsibility for task completion, which is practiced in most places. They think that the responsibility systems can only take the form of fixing output quotas for each household and assigning households full responsibility for task completion and that the form of "fixing output quotas and task responsibility" means distributing the land to each household and individual farming. Some other comrades have one-sidedly understood the policy as adjusting measures to local conditions and giving instructions according to the specific conditions of different localities. They mechanically regard their own conditions as specific conditions, under which only a fixed form of responsibility system can be applied. Such ideas and practices are entirely wrong. The policy of adjusting measures to local conditions and giving instructions according to the specific conditions of different localities was put forth by the party Central Committee. It is only intended to require various localities to adopt a responsibility system which is in keeping with the wishes the masses, is beneficial to the development of production and accords with the level of production development and the cadre's management abilities. There are great differences in the level of agricultural development in various parts of our country. There are also differences even within a county, a commune or a brigade. Thus we cannot require all localities to adopt the same form of responsibility system. Instead of proceeding from actual conditions, some comrades have done things only according to their own imagination. They have either imposed restrictions or required the practicing of the responsibility system of fixing output quotas for each household and assigning households full responsibility for task completion, thus going against the principle of adjusting measures to actual conditions.

Since the agricultural production responsibility systems have already been widely established, it is necessary that they be further perfected and strengthened and that those systems enjoying support from the peasants be steadily continued. To determine which responsibility system is to be adopted, it is necessary to see whether the system suits the production and management in the locality, is supported by the majority of the masses and can help attain the aim of consolidating and developing the collective economy and improving the people's livelihood. All responsibility systems which enjoy support from the masses and have had good economic results must be affirmed. This is what is called seeking truth from facts and proceeding from actual conditions. We can perfect and strengthen the responsibility systems only by acting in accordance with the will of the great majority of the masses. The misunderstanding and hesitation of the grassroots cadres result mainly from the work style of the cadres in the higher authorities. It the leaders of the higher authorities go deep among the masses to investigate and study, neither force nor impose restrictions on the practicing of a certain form of responsibility system and, instead of attaching no importance to the matter, follow the mass line and guide the masses according to circumstances, all misunderstandings will certainly be eliminated. This is more persuasive than merely lecturing on principles.

In the process of strengthening the responsibility systems, it is also necessary to adhere to the principle of adjusting measures to local conditions and oppose both the ideas of "taking the same form" and "doing things rashly" in disregard of actual conditions. Although these ideas are not widespread at present, they merit our attention. This is also the reason why the leadership method of the Qin County CCP Committee deserves praise.

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HK010815 Beijing RENMIN RIBAO in Chinese 1 Dec 81 p 7

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HONGQI PUBLISHES HU QIAOMU'S SPEECH ON IDEOLOGY

OW010335 Beijing Domestic Service in Mandarin 2230 GMT 30 Nov 81

[Text] HONGQI, issue No 23, published on 1 December, contains Comrade Hu Qiaomu's speech at the forum on problems concerning the ideological front called by the Propaganda Department of the CCP Central Committee last August. Entitled "Some Problems on the Present Ideological Front," the speech explains in detail the principle and policy concerning work on the ideological front which the CCP Central Committee has formulated since its third plenum. From the viewpoint of political theory, it makes a thorough analysis of the current situation and problems in the ideological field and answers the five questions raised at the forum.

In this article, the writer has, in particular, written an explanatory note on the use of quotation marks with the word "left." The word "left" in quotation marks in the article is a derogatory term. When used alone, it does not mean real left, but rather fake or excessive left. No quotation marks are used with the term left deviation because deviation is clearly stated and what is meant by the term is, of course, a mistake.

This issue of HONGQI also publishes a commentator's article entitled "Strive To Boost Economic Results" and several signed articles, including "On Ideological Emancipation" and "Oppose Bourgeois Liberalization."

ZHONGGUO XINWEN SHE INTERVIEW WITH BAI HUA

HK290548 Beijing ZHONGGUO XINWEN SHE in Chinese 0105 GMT 28 Nov 81

[Reporter's newsletter: "Another Interview With Bai Hua"]

[Text] Wuhan, 28 Nov (ZHONGGUO XINWEN SHE) -- Early in May this year, the author had an interview with the writer of the Wuhan PLA units, Bai Hua, in Wuhan. Half a year has elapsed and here I am again in this famous city -- Wuhan. On an early winter evening, I had an interview with Bai Hua again. He is still as he was in May, with ruddy complexion and high spirits. When he talks, he is as leisurely as before. When we talked about the championship win of the Chinese women's volleyball team, although he was excited, he still remained calm, reserved and poised. Some people said that poets are emotional; however, Bai Hua did not show his emotions at that instant.

I was sitting in Bai Hua's writing room, which was still arranged in the same very simple way. The only difference was that there were some new books on the bookshelves, and two modern-style Shanghai-made flasks on the desk. Although the temperature in Wuhan was only 7 or 8 degrees centigrade, the department concerned had installed an iron heater in his room. The warmth from the heater made the room as warm as springtime. We chatted till midnight and did not feel the least chilly even though neither of us had put on quilted coats.

When Bai Hua was in a mood to talk, he took out some 10 to 20 snapshots from the drawer. They were taken at the 70th anniversary of the 1911 revolution with his friends from literary and art circles, in front of the red building which was the headquarters of the uprising, (the memorial hall of the 1911 revolution,) and in front of the gate of the uprising and other places. Some were taken when he was walking on the scenic bank of Dong Hu and showed him looking into the distance at Dong Hu in the autumn. Others were taken when he visited the 500 arhans in the temple of Guiyuan in Hanyang, where he appreciated the artistic historical craftsmanships of clay sculptures. Some others were taken when he visited the historical relics of Sui County in the Hubei provincial museum and when he listened to the percussions of musical instruments of the warring states. When I was looking at these colored snapshots, I saw that Bai Hua wore a smile on his face. I guessed he must have had a good harvest this autumn.

"You must have written quite a number of new books in the past few months?" I asked.

"Not too many, one cannot talk of good harvest. However, I have never stopped writing. In October, at the invitation of Yu Lan, the head of the Chinese children's film studio, I rewrote my novel 'The Small Stream Is Running Toward the Sea' into a script for a children's film, and sent it to the studio. On 15 November, Yu Lan talked to me on the phone about it. If everything goes smoothly, it will be shot in the spring or summer next year." "The Small Stream Is Running Toward the Sea" is a story about a young soldier of the 8th Route Army who was assigned by General He Long to escort two war criminals to Yanan during the war of resistance against Japan.

"What else have you written?"

"Poems." He eyed the scripts on the desk and said: "Some of them have to be polished...." In fact, writing poetry is his line. He wrote a lot of poems in his youth. His poem "The Spring Tides in View" was awarded a prize in a national poetry contest. Certainly this was not accidental.

From writing poems, we talked about his hobbies. He said that he had loved reading poetry and listening to music since he was a child. Now, his favorite hobby is listening to music for 2 hours every day. This is also the best way to relax himself. I saw that he had many tapes, most of them works of great classical musicians such as Mozart, Beethoven and Chopin. He said that there was an intrinsic relationship between music and literary works such as poems and plays. Is it not true that there is a certain "melody" and "rhythm" in poems and in plays as well? Probably this is one of the reasons why he loves music. He lives a very regular life. He is used to getting up and jogging at a fixed hour in the morning and he never gets up late. He writes in the day time, and at night he reads books and newspapers, watches the television news and listens to music. He never stays up late at night to write without good reason.

After talking about his writing and hobbies, we changed the subject to his family life. He told me that his wife, Wang Bei, is still working for the Shanghai film studio and that she returned to Shanghai in mid-June after her holiday in Wuhan. Although the couple live in different places, their hearts are close to each other. They write letters to each other and often keep in contact by telephone. Their son who is taking shipbuilding at Shanghai Communications University will graduate next summer. He praised his son as a youth of good character and scholarship. Recently, he received a letter from his son and learned that he will continue his studies after graduation. Bai Hua said, "My son wants to equip himself for the revival of China. We as his parents will certainly support him."

At the end of the interview, Bai Hua revealed to me some of his future plans. At the end of this year, he will have a holiday in Shanghai, and there he will have a family reunion with his wife and his son. After that, he will have to go into the thick of life and prepare for his work. I said to Bai Hua before bidding him farewell, "I hope you will write something as good as 'The Dawn.'"

LEADERS GREET OUTSTANDING YOUNG PEOPLE

OW271546 Beijing XINHUA in English 1513 GMT 27 Nov 81

[Text] Beijing, November 27 (XINHUA) -- Li Xiannian, vice-chairman of the Central Committee of the Chinese Communist Party, and other party and government leaders this afternoon warmly encouraged outstanding young people to be prepared to shoulder greater responsibility.

A gathering was held at the Great Hall of the People between these leaders and 273 representatives of outstanding workers and youth league committees.

Li Xiannian greeted the young people and said: "The people respect you for the contribution you made."

Tan Zhenlin, vice-chairman of the Standing Committee of the National People's Congress, told the young people not to rest on their present laurels but to work harder and temper themselves for future responsibility of the party and the state.

Present at today's gathering were Peng Zhen, Wang Zhen, Wei Guoqing, Song Renqiong, Bo Yibo, Yang Jingren, Lu Dingyi and Kang Keqing.

The youth representatives, including workers, peasants, teachers, shop assistants and army men, reported their work to the party and state leaders and spoke about their future plans.

BEIJING RADIO URGES CONFIDENCE IN PURSUING GOALS

OW282136 Beijing Domestic Service in Mandarin 1200 GMT 28 Nov 81

[Station commentator's article: "Brace Ourselves, Have Firm Confidence and Do Our Work Well"]

[Text] Marx and his daughter (Yan-ni) once had a conversation. (Yan-ni): What is your main trait? Marx: my unchanging goal.

Marx's answer showed his absolute confidence that the cause he pursued was bound to be achieved. It was this firm belief in his own ideals that inspired him to wage unyielding struggles for communism all his life. Marx's spirit of pursuing an unchanging goal is fully embodied in the Chinese communists.

In the course of leading the Chinese revolution, the Chinese Communist Party has met with countless hardships and dangers and suffered many setbacks, but it has never given up the pursuit of its ideals. It has consistently made the emancipation of all mankind and the realization of communism the party's main program and the ultimate goal of its struggle, and it has led the proletariat and the masses of the people in fighting heroically and advancing wave upon wave.

Today the whole party, the whole army and the people of all nationalities throughout the country have the important historical responsibility of building our country into a powerful, modern and socialist country. This is a great undertaking never attempted before. In the course of our advance, we unavoidably will meet with many difficulties and even setbacks. We must carry forward the spirit of pursuing the unchanging goal, have firm confidence, go all out and do our work well.

In the 4 and 1/2 years between the downfall of the gang of four and the 6th plenary session of the 11th party Central Committee, the party led the people throughout the country in putting an end to the chaotic situation and reversing the reversal of right and wrong. The situation throughout the country is very good now. The goals of our struggle at present and for some time to come are: 1) to push the national economy forward; and 2) to push the spiritual civilization forward.

We should pay attention to building a material civilization on the one hand and a spiritual civilization on the other. These are the two goals of our struggle; they are inseparable and will help each other advance. They are in the fundamental interests of the people of all nationalities throughout the country.

Of the two, the economy is the foundation. When the economy is sound, it lays the foundation for the spiritual civilization. When the spiritual civilization makes progress, it in turn will propel the development of the material civilization. All our departments and all our work must be aimed at the two goals of pushing the national economy and spiritual civilization forward.

To achieve these two goals, all party comrades and the people throughout the country must heighten their revolutionary spirit. In the past, heightening our spirit often meant talking big, setting high goals, exaggerating, making false reports and indulging in formalism. All this caused great harm. We must learn from this historical lesson.

Today, heightening our revolutionary spirit should find expression primarily in digging into the new situation, solving new problems, finding new ways and opening up new vistas.

During the past few years in the work to bring order out of chaos, and on all fronts in the four modernizations program, the overwhelming majority of comrades have never wavered in the face of all kinds of difficulties and have demonstrated an indomitable fighting spirit. However, we should also see that among some comrades, especially some cadres, there indeed is a lack of spirit. Because of some temporary difficulties on the road ahead, a small number of people have lost faith and become preoccupied with their personal gains and losses. The slightest disappointment will make them querulous, complaining and critical.

These comrades should get out from the confines of individualism, pluck up their revolutionary spirit, have lofty aspirations, tie their personal ideals and happiness closely to the future and destiny of the socialist motherland, never forget our two great goals and work hard to push the national economy and spiritual civilization forward.

RENMIN RIBAO ON PERSEVERANCE, OPTIMISM

HK271415 Beijing RENMIN RIBAO in Chinese 23 Nov 81 p 5

[Article by Zhang Yun [4545 0061]: "Further Remarks on 'Not Losing Heart When the Going Gets Rough'"]

[Text] Looking at the world today one has many thoughts and feelings. The first football match between China and Saudi Arabia and the battle on the volleyball court between China's and Russia's women's teams offer particularly rich food for thought. At the end of the first half of the football game China was down 2 to 0. During the second half, however, they did all they could to catch up and managed to score four goals in a row, turning almost certain defeat into victory. In the fight between the Chinese and Russian volleyball teams the second game ended with Russia winning 9 to 0. Undaunted, however, the team's girls fought on stubbornly, and after a valiant effort, scoring point after point, they managed to clinch the final period. According to the experts such a comeback is very rare in a game between teams of almost equal strength. To be able to watch two such matches was truly heartwarming and caused an inexpressible force to rise up in our hearts. The brilliant performance of the athletes in both these matches was truly dazzling and such a level of perfection is rarely seen. Moreover, the stubborn fighting will which allowed both teams to face danger fearlessly and struggle on courageously to overcome the difficulties and reverse the tide has inspired great admiration among people.

"Do Not Lose Heart When the Going Gets Rough." An article by this title written by Li Pingyong was once published in the "Today's Commentary" column of the RENMIN RIBAO. The message of this phrase certainly still holds true and it is worth adding a few more comments.

A difficult situation is a form of objective reality. No matter whether it be the cause of revolution and reconstruction or an individual undertaking, any such cause will invariably suffer certain difficulties and setbacks and may even seem completely hopeless at times. In fact, it can be said that situations in which everything goes according to plan without a single hitch or upset simply do not exist. It is for this reason that the way in which we deal with difficulties and setbacks and the attitude we adopt when the going gets rough is a question of critical importance. Whether we choose to become dejected and lose all confidence, on the one hand, or choose to fight on, undaunted by repeated setbacks, on the other, will decide the ultimate success or failure of any undertaking.

"Not losing heart when the going gets rough" is an outstanding feature of the Chinese people's character; it is also a fine tradition of our party. The people's revolutionary struggle has from the very beginning been the struggle of the unarmed and the weak against the strong and, consequently, has involved many difficult moments. There are numerous examples of this in the long history of our country's revolution. After the defeat of the great revolution, the nationalists brutally suppressed the revolutionary cause, cruelly murdering thousands of communists and revolutionaries. Some people began to waver, fleeing from or even rebelling against the cause and the Chinese revolution found itself in an extremely difficult position. However, the situation was just as Comrade Mao Zedong described it: neither the Chinese Communist Party nor the Chinese people were frightened into submission, conquered or eliminated. They managed to crawl up from the ground; and having wiped away the bloodstains and buried the bodies of their colleagues they continued with the struggle.

The Wang Ming line brought about the second major crisis of our country's revolution. With 90 percent of the soviet areas lost and almost 100 percent of the white areas also lost, the Red Army was forced to embark on the arduous and difficult Long March. Once again the Chinese revolution was in an extremely difficult position. The Chinese Communist Party and the Chinese people, however, managed to look beyond these temporary difficulties and setbacks to find brightness and hope. "The Long March was a manifesto, a propaganda brigade and a seed planter." "The Long March ended with the defeat of the enemy and our own victory." Using this bold spirit of optimism we began a new struggle in a new revolutionary base that was to push the Chinese revolution forward towards a new high tide culminating in victory over the Japanese and liberation of the whole nation.

In the course of socialist reconstruction, errors in our work and natural disasters as well as other objective factors have had a great deal of influence and have even led to periods of serious economic difficulty. The people vividly remember the hardships of industrial and agricultural production in the past. Our party, however, has conscientiously corrected its own errors and by encouraging the whole country's people to unite together and grit their teeth the party has overcome difficulties and has contributed to the revival and development of the national economy.

History has proved that it is loss of confidence and courage that are to be feared rather than difficulty itself. As long as we can keep up the spirit of "not losing heart when the going gets rough" then no difficulty or hardship will ever be able to halt our forward march.

Our country has still not managed to completely free itself from the problems and difficulties caused by the 10 years of internal disorder. The difficulties we now face are both serious and numerous, and the problems that still await solution are piled up mountain high. As regards economic and general cultural knowledge, our country is still very backward and the people's standard of living is also relatively low. Some people in such circumstances can do nothing but moan, blaming everyone but themselves for the problems; others become pessimistic and, having lost all hope, they can only shake their heads and sigh. Others go so far as to believe that China has no hope at all and take nothing into account but their own selfish interests. However, there are even more people who, guided by the correct line, direction and policy of the Central Committee, devote themselves to the material and spiritual civilization of socialist reconstruction. Quietly persevering and working hard they use their own efforts to help the nation overcome any problems it may face. The reason for the women's volleyball team and the football team being so highly praised by the people is that they offered a fine example of this spirit. The people were truly overjoyed at the victory of our sporting heroes and drew tremendous encouragement from their fighting spirit of "not losing heart when the going gets rough." As the editorial in a foreign newspaper said, "The victory of China's women's volleyball team inspired an intense feeling of national pride, and filled the people with faith in the nation's glorious future."

Let us carry forward this spirit of "not losing heart when the going gets rough!"

RENMIN RIBAO ON REVISION OF CONSTITUTION

HK271402 Beijing RENMIN RIBAO in Chinese 24 Nov 81 p 5

[Article by Li Buyun [2621 2975 0061] in "Learning Something About the Constitution" column: "It Is Necessary To Carry Out the Principle of Democracy in Formulation and Revision of the Constitution"]

[Text] In the era of feudal autocracy, legislative power belonged to the monarch alone. In the period when the bourgeoisie was revolutionary, its enlightened thinkers concentrated on opposing this point and advocated in a clear-cut manner that legislative power should belong to the people. John Locke said: "The people alone can determine the form of the state by means of forming a legislative body and appointing persons to exercise legislative power." Montesquieu pointed out: "Democratic politics has another basic rule, that is, the people alone can make laws." Rousseau also said with emphasis: "Legislative power belongs to and can only belong to, the people." Their ideas were undoubtedly progressive at the time and were put down in bourgeois constitutions. However, the formulation or revision of bourgeois constitutions, regardless of whether the "constitutional assembly" elected specially for this purpose or the highest legislative body, the legislative assembly, is responsible for it, can only defend class exploitation and class oppression without being able to reflect the fundamental interests of the broad masses of laboring people. Bourgeois legislative assemblies are controlled or dominated by the bourgeois representative figures loyal to the capitalist system. The constitution they formulate naturally can only reflect the will of the bourgeoisie. Sometimes, as a result of the sharpening contradictions within the ruling circle of the bourgeoisie or out of other considerations, the proposed revision of the bourgeois constitution is submitted to popular vote, but this by no means changes the essence of things. It is simply impossible for the broad masses of laboring people to change the capitalist private ownership of the means of production and the reality that the bourgeoisie controls state power.

In a socialist country, the proletariat and the laboring people are masters of the country. The socialist legal system can only be formulated according to the will of the people, and the formulation or revision of the constitution should be faithful to the principle of democratic legislation, and the mass line should be so conscientiously carried out. Under the leadership of Comrade Mao Zedong, in formulating the 1954 constitution of our country, the principle of democratic legislation was conscientiously carried out. On 13 January 1953, the Standing Committee of the central people's government set up a committee to draft the Constitution of the PRC, which accepted in March 1953 the first draft of the constitution set forth by the CCP Central Committee. Immediately after this, over 8,000 representative figures of the various democratic parties, people's organizations and various segments of society in Beijing and other big cities throughout the country were organized for serious discussions of the first draft, and it took them 2 months to finish it. During the discussions, over 5,900 suggestions (not including queries) were raised. It should be said that the over 8,000 people were participants in the work of drafting the constitution. The draft constitution revised on the basis of the first draft was made public on 14 June 1954 and submitted to the people of the whole country for discussion. Popular discussions went on for over 2 months with a total of over 150 million people taking part in them. A great many good amendments to the constitution were submitted.

We are now revising the existing constitution. In his speech to the first plenary session of the constitutional revision committee, Comrade Ye Jianying pointed out: "Democratic legislation is our basic principle in legislative work. In the revision of the constitution this time, it is necessary to uphold the correct policy of integrating the leadership with the masses and adopt various forms to mobilize the masses of the people to take an active part in this work." We are certain that in revising the constitution this time, the principle of democracy will be carried out.

RENMIN RIBAO REVIEWS NATIONALITIES WORK

HK010415 Beijing RENMIN RIBAO in Chinese 25 Nov 81 p 3

[Report: "Nationwide Nationality Work Yields New Achievements in Improving Nationalities Relations and Strengthening Nationalities Unity"]

[Text] Since the 3d Plenary Session of the 11th CCP Central Committee, our country has gradually brought order out of chaos in its ideological leadership over nationalities work, effectively readjusted and improved nationalities relations, strengthened unity among the nationalities and brought about a fine situation that has seldom occurred in the past more than 20 years.

National regional autonomy is the basic policy for solving nationalities problems in our country. During the decade of turmoil, this policy was discarded by Lin Biao and the "gang of four" resulting in serious repercussions. Now this situation has distinctly changed. Attention has universally been paid to minority nationalities cadres and minority nationalities languages, and new progress has been made in appointing minority nationalities cadres to run autonomous organizations. Minority nationalities cadres have been appointed to principal responsible posts in the autonomous governments and the standing committees of the regional people's congresses of all the five autonomous regions in the country and in all the governing and legislative organizations of the 30 autonomous prefectures and 72 autonomous counties with the exception of a few autonomous prefectures and counties where the people's congresses have not been convened to carry out direct elections. In the past 3 years, the number of minority nationalities cadres has increased by 190,000 and now totals 1.02 million, a twofold increase over that of 1957. Of these, 30 percent are technical and professional cadres. These minority nationalities cadres support the party's line, adhere to the four basic principles, are relatively experienced in nationalities work, are familiar with local political, economic and cultural characteristics and minority nationalities customs and sentiments, and maintain close ties with the people of the respective minority nationalities. The close unity and vigorous cooperation between the minority nationalities cadres and the cadres of the Han nationality, who have been working in the minority nationality areas, has induced and promoted the unity among the people of all nationalities.

Because of the wholehearted desire to correct the series of erroneous "leftist" mistakes, the adoption of the policy of seeking truth from facts and suiting measures to local conditions, the relaxation of policies, the enlivening of the economy and the reduction of burdens, the people of the minority nationalities have rested and built up their strength and both their production and livelihood has remarkably improved. The state supports the production and construction in minority nationalities areas and funds their construction undertakings with an additional appropriation of more than 1 billion yuan every year on top of the budgeted appropriated expenditure. The reduction of the agriculture tax, the animal husbandry tax and grain purchase quota in poor areas has conversely reduced burdens and the masses have benefited as a result. In particular, the establishment and implementation of the production responsibility system has brought about tremendous change in many areas in the past couple of years. Jinpin County in the Miaotong Autonomous Prefecture in southeastern Guizhou Province was a relatively poor county in the past. Since the establishment of the production responsibility system, the production there has greatly developed, resulting in a sufficient supply of food grain and in the fact that 40 percent of the households now have bank savings deposits. On the basis of three successive good harvests in agriculture and increases in animal husbandry, the Xinjiang Uygur Autonomous Region has made further progress this year. The output of summer grain has exceeded the planned target and the total number of domestic animals at the end of June increased by 1.84 million over the same time last year and set a new record. Industry has also advanced in the course of readjustment. Up to the end of July, the total output value had increased by 7.1 percent over the same period last year.

The total amount of money deposited in banks has kept on growing. The agriculture and animal husbandry situation in Nei Monggol is also fine. The total output of grain has set a new record and that of oil crops and sugarbeet has increased by 20 percent over the same period last year. The ratio of increase of the total number of domestic animals has increased by 2 percent and a greater percentage of animals and animal byproducts have been channeled into food or commodities, resulting in a greater supply of livestock products for the state.

By adapting policies, restructuring and readjusting, the cultural and educational undertakings in the minority nationalities areas have been restored and have developed fairly quickly. The provinces and autonomous regions concerned have proceeded from reality in formulating concrete plans for developing nationalities educational undertakings, supplied additional funds for nationalities education and expanded and improved their teaching contingent. A number of nationalities middle and primary boarding schools have been restored or established in pastoral areas, mountainous areas and border areas. The 10 nationality institutes that were closed during the decade of turmoil have already been restored or are being restored. The measures adopted by institutes of higher learning in selecting the best students to enroll and in giving preferential treatment by allocating an enrollment proportion to minority nationalities and the classes geared to minority nationalities and the preparatory courses conducted by some institutes of higher learning and technical secondary schools have played a positive role in training more minority nationalities personnel in a shorter time. In each of the past 3 years, nearly 50,000 college, technical and secondary education graduates were employed in various posts. This has accelerated the task to make the minority nationality cadres more revolutionary, better educated and professionally more competent and added new strength for the four modernizations in minority nationalities areas.

PLA TRAINING SIMULATORS 'ECONOMICAL, EFFECTIVE'

OW291428 Beijing XINHUA Domestic Service in Chinese 0800 GMT 24 Nov 81

[Report by XINHUA reporter Li Jinting]

[Text] Beijing, 24 Nov (XINHUA) -- In their advance toward modernization, PLA units have generally used simulation equipment for military training. This is economical and effectively improves training quality.

Simulation equipment consists of audio-visual aids. The simulation equipment used by various PLA units is a result of advanced scientific research in such areas as projection, acoustics, laser, and infrared technology, electronic computers, remote control, the principles of mechanics and other means of sound, light and electronics. These means are used to simulate various weapons and equipment and combat situations for training purposes. Sailors, pilots, tankers and guided missile units conduct training with simulators instead of actual naval vessels, aircraft, tanks, missiles, radar or vehicles. These simulators are operated exactly like the actual equipment. When simulators with laser sights are used for training in the use of rifles, artillery and other weapons, they fire like real rifles and guns with live ammunition. There are also simulators for infantrymen to conduct tactical training.

The conduct of military training with simulation equipment is not limited by training grounds or affected by weather. Such training is true to life and can be directly perceived. It can arouse the enthusiasm of cadres and fighters for training. By using simulators, opportunities for training increase while training time is shortened. At the same time, this greatly helps reduce the wear and tear on weapons and equipment and saves funds, ammunition and oil. In conducting training in the past, it cost 70 yuan to fire a shell for 82-mm recoilless gun. But now it costs only 10 yuan to fire a simulated shell of this kind that can be used 30 times. When simulated "ship steering instruments" are used to train sailors, they are not affected by weather or sea conditions and this saves 20 dun of oil for 8 hours of such training. In addition, training time is shortened and better training results are achieved by using simulators for antitank missile training and for training in aircraft takeoff and landing, laying mines with rockets and radar signal recording.

Foreign countries have used simulation equipment for military training since World War II. Our army had a small number of simulators for training purposes in the 1950's. With the development of military training, equipment and science and technology, such simulators has gradually developed from simple to complicated and from lower level to higher level and the scope of their use has also expanded. Thanks to the attention of the leadership of various PLA units and the defense scientific research departments, tremendous progress has been made in organizing the research and production of simulation equipment for training purposes in the course of accelerating the modernization of national defense particularly since the 3d Plenary Session of the 11th CCP Central Committee. The department concerned under the Chinese PLA General Staff Department this year screened and selected simulation training equipment produced by various units and held an all-army exhibition of such simulators in order to further promote the use of them for training purposes.

TV-RADIO MICROWAVE RELAY EQUIPMENT DEVELOPED

OW280425 Beijing Domestic Service in Mandarin 1200 GMT 25 Nov 81

[Text] According to a report by the Suzhou people's broadcasting station, China's first microwave relay equipment for the simultaneous transmission of both television and radio signals has been recently examined and approved for its use in the whole country.

This relay equipment has been specifically produced to solve problems concerning television and radio transmission and wave propagation in our country. The range of this equipment is 1,000 km with 24 relay terminals in between. This equipment can be used for simultaneous one-way or two-way transmission of a single channel of color video signals with audio modulation, two channels of speech signals or a single channel stereo program. It can also be used for transmitting telegram, telephone and facsimile signals.

Moreover, it can be connected to a television channel at the ground station of a communication satellite to directly feed the intermediate-frequency signals received from the satellite through the microwave circuit.

The success in devising this equipment has provided us with fairly advanced equipment for the transmission, popularization and development of television and radio programs in our country.

SUCCESS REPORTED IN EFFORT TO CURB SMUGGLING

OW280220 Beijing XINHUA Domestic Service in Chinese 0103 GMT 25 Nov 81

[Excerpts] Beijing, 25 Nov (XINHUA) -- Guangdong, Fujian and Zhejiang Provinces have scored major success this year in the struggle against smuggling. According to materials provided by the State Council's provisional antismuggling leading group's office, the three provinces have cracked a number of major cases involving smuggling and dealing in smuggled goods expeditiously, severely handling and punishing many criminals according to the law.

Last year, smuggling activities in the coastal areas of Guangdong, Fujian and Zhejiang Provinces became rampant and were spreading to other areas. To firmly crack down on the criminal activities of smuggling and selling smuggled goods, the State Council set up the provisional antismuggling leading group this year, which twice held meetings on antismuggling work in the three southeastern coastal provinces. The three provinces also set up provisional antismuggling leading groups headed by responsible persons of the provincial party committees and people's governments. They dispatched work groups to areas where smuggling was rampant to help straighten things out, conduct antismuggling education among the masses and strike at criminals.

With the cooperation of the vast numbers of cadres and the masses, relevant departments of the three provinces generally increased the speed in cracking major cases involving smuggling and selling smuggled goods. Between March and September this year, 242 smugglers and peddlers were sentenced to prison, 127 arrested, 14 sent to reeducation through labor and large numbers of others given other punishment. The antismuggling measures have sharply reduced the smuggling activities in the three provinces. In many coastal areas, social order has greatly improved and production rapidly developed.

The leading organs of Guangdong, Fujian and Zhejiang Provinces are taking more effective measures to achieve a decisive victory over smuggling before the end of this year. In areas where smuggling had been rampant, they continue to vigorously conduct patriotic, antismuggling education to create a social atmosphere in which people feel it is an honor to boycott smuggled goods and a shame to seek small gains by illicit means. They are taking further steps to strengthen control over coastal vessels and various foreign trade activities to stop the loopholes of smuggling. They are taking serious steps to straighten things out in enterprises, establishments and rural communes and brigades where smuggling and dealing in smuggled goods were rampant. They are also continuing to concentrate their efforts on cracking major cases and dealing severe blows to principal and habitual offenders.

Other provinces, municipalities and autonomous regions are also adopting corresponding measures to provide their active support for the antismuggling struggle in the coastal areas.

RENMIN RIBAO ON DEVELOPMENT OF FOREIGN TRADE

HK301008 Beijing RENMIN RIBAO in Chinese 24 Nov 81 p 5

[Article by Zhu Yuening [2612 1878 1337]: "Several Problems in Understanding the Development of Export Trade"]

[Text] In recent years, our country's export trade has been increasing at an annual rate of 24 percent. During the 4-year period between 1977 and 1981, export trade increased 136 percent, growing from \$7.6 billion to \$18 billion. In spite of this, however, the proportion of exports in the total output value of the national economy, (estimated to be around 5 or 6 percent), is still relatively small. Our country's total exports account for only 0.9 percent of the world's export trade, meaning that our country's proportional share of the world export market has changed very little since the early period of liberation. Therefore, it is essential that we undertake a relatively large-scale development of our country's export trade. Such a development of the export trade will depend on the rational reform of the foreign trade system, the implementation of our export policy and the raising of technical and production standards. In addition to this it is important that we resolve various questions of understanding.

Expanding the Export of Natural Resources

The future of our country's export trade lies in the development of traditional skills and the vigorous promotion of handicrafts and other products having a uniquely Chinese character. Also important is the need to bring the potential of our country's machine building industry into full play and develop the export of machinery and electrical products. We must also make use of our abundant labor force and vigorously develop our capacity for the processing and reexport of imported raw materials. At the same time, we should take advantage of our country's strength in the area of natural resources by expanding both the production and export of these resources.

Will the export of natural resources influence either the development of production or the domestic supply of these resources? Owing to the limitations imposed by geographical factors, a country will often enjoy an abundance of certain resources while suffering a shortage of others and never have certain resources which other countries may have. Following the development of international trade, the export and exchange of resources of which a country has plentiful reserves for more scarce resources or other products and technology has become a common feature of international trade. The export of resources and primary products, has therefore, come to be a demonstration of the ability of a country to make full use of its geographical position and other advantages. Ours is a country of vast territory and rich resources. We should rapidly develop those resources, such as coal, which we already know to be plentiful. By increasing exports, we shall be able to obtain hard currency which can, in turn, be used either to import technology, equipment and other goods and materials or to import those resources and primary products which are in short supply in our country. This is one of the ways in which we can accelerate the development of our country's economy.

Is the export of natural resources not like a colonized nation's "selling out its resources?" No. As a sovereign nation in which the exploitation and export of resources are carried out in accordance with the national economic plan for economic development, our country in no way resembles a colonized nation which allows a suzerain state to plunder the country of its natural resources. Our country already has its own independent industrial system and the export of a few resources is aimed at raising our own level of industrial technology and accelerating economic development by importing technology, equipment and other goods as well as those natural resources we lack. This is in sharp contrast to a colonized nation which, on the other hand, ends up being nothing more than a producer of raw materials and primary products, the development of any local industry being sacrificed or strangled. Our country's export of natural resources, therefore, has absolutely nothing in common with a colonized nation's selling out its resources and the two should never be confused.

The Relationship Between Exports and Domestic Sales

Will the rapid development of exports put pressure on products sold at home and influence the supply of goods on the domestic market?

While certain contradictions do exist between the domestic and foreign markets, we should make rational arrangements that take all factors into consideration and the two sides can also help each other advance.

Generally speaking, the large-scale export of goods which, because of the still less than rapid development of production, are scarce on the domestic market will seriously affect the sale of these goods at home. In such cases it is necessary to take the needs of the domestic market into account when drawing up the export plan. To ignore the home market is wrong. The foreign market, however, must also be taken into consideration, otherwise, markets that have already been opened abroad will be lost and it will be impossible to guarantee our foreign exchange income; this could seriously upset our imports. We should also recognize that our country has a massive population and that many of the traditional export products selling on the international market could also find a market at home. Failure to give due consideration to foreign sales could seriously damage our export trade. For this reason we must make balanced arrangements for the export of those products for which there is a particularly large demand at home.

At present the goods produced for export in special factories, workshops and bases are continually being sold at home, meaning that it is impossible to meet foreign demand. This situation in which exports must survive on the "leftovers" from the home market and in which home sales are "squeezing" sales abroad must be changed.

It should also be recognized that exports can have a beneficial effect on the home market. The expansion of export trade alone is not our ultimate goal. The whole process of foreign trade is exports (merchandise) -- foreign exchange -- imports (merchandise), and the real purpose of increasing exports is to increase imports. Although the expansion of exports may at times conflict with the needs of the home market, the expansion of imports, which is based on an expansion of exports, will both directly and indirectly help to satisfy the needs of the domestic market. The nature of imports in recent years also shows that a large proportion of the foreign exchange used to buy imported goods has been spent on goods that could be used by the people in their daily lives.

The import in recent years of large quantities of grain, sugar, plant and vegetable oils, cotton (most of which was processed and reexported, but some of which did reach the home market), chemical fibers and other goods and materials directly helped to guarantee domestic supply. The import of large quantities of chemical fertilizer to be used in agricultural production promoted the development of grain production and other agricultural sideline products and helped indirectly to stabilize the domestic market. At present the proportion of our country's foreign exchange used in either the purchase of equipment or the import of technology is very large. This suits the present condition of our country's economic and technological level as well as the need to promote the development of our country's economy. From a long-term point of view, imported technology and equipment will eventually form a new productive force and will contribute to the development and prosperity of the economy, providing both the domestic and foreign markets with even more high quality products.

Overall Analysis of the Reasons for Foreign Trade Losses

Once the foreign exchange earned in trade has been used to settle internal accounts, most export goods can be seen to have made a profit. However, there are also a few products which lose money; and in some cases these losses can be quite considerable. How should this problem be dealt with?

The profit or loss of an export product is determined by two key factors: one is the sale price of the exported merchandise and the other is the actual cost to the foreign trade department. A high selling price and a low export cost will result in profit while the opposite will result in a loss. There are numerous factors affecting the selling price of an export product. For example, some products are badly packaged, of relatively low quality and very limited in design and variety; in other cases, delays in the circulation of goods and material can delay the delivery of goods, making it difficult to keep to the original contract; the backwardness of foreign trade sales techniques can result in confused negotiations and failure to obtain the best price; and, in some cases, the selling price may reflect all of these factors. Losses (including very low profits) resulting from any of these problems indicate that we have certainly got the worst of foreign trade and our partners have made large profits. We must progressively solve these various problems and seek to create a situation in which a relatively small expenditure of labor will result in a fairly large income of foreign exchange.

There are also many different factors affecting the production cost of export merchandise. Aside from actual production, technology, management and administration, one important factor is the high cost of allocated raw materials. This can artificially inflate the capital outlay of units producing export products. Another factor is taxation which, owing to irrational policy, can sometimes be imposed at every level during the production process. This skimming off of profits can greatly increase the cost of export products. However, losses incurred in this way are not necessarily real losses and we should not think that all losses in foreign export trade reflect losses incurred in the actual exchange of export merchandise nor should we think that foreign trade losses are an important factor in our country's overall financial deficit. We should certainly never try to reverse such a deficit by simply adopting the policy of restricting exports.

GUANGMING RIBAO CITED ON FOREIGN TRADE PROGRESS

OW300630 Beijing Domestic Service in Mandarin 2230 GMT 29 Nov 81

[Text] According to a GUANGMING RIBAO report, China has made significant progress in promoting foreign trade. As far as imports and exports are concerned, the total volume of exports in 1980 rose by 1.4 times as compared with that in 1977. Exports in the first half of 1981 have increased by 8.5 percent as compared with those in the corresponding period in 1980. The varieties of export commodities have also changed with the export of farm and sideline products decreased, and the export of light and textile products made of raw materials and semifinished products provided by foreign firms increased as was the export of heavy industrial products. Imported cotton, chemical fiber, rubber, dyestuff, industrial chemicals, sheet and strip steel and nonferrous metals have replenished the badly needed raw materials in the production of light and textile products and accelerated the development of such industry. The large amount of imported chemical fertilizer and insecticides has played a significant role in promoting agricultural production. The imported food grain, edible oil, sugar and other materials have helped the countryside in rehabilitating itself and developing its diversified economy. The import of a small amount of badly needed commodities also helps improve the supply of commodities to the cities and withdraws currency from the market. At present, the export of processed products made of raw materials provided by foreign firms accounts for 42 percent of the total amount of export products procured. The assembly and processing of goods from the raw materials provided by foreign firms and the development of small and medium-sized projects for compensatory trade have brought into full play China's abilities to process goods for foreign firms which supply the raw materials or patterns; remedied the shortage of certain raw and semi-finished products; and increased state revenues. For example, the total amount of earning from processing goods for foreign firms which supply the raw materials or patterns last year reached \$110 million. Many rural and urban inhabitants and rural commune members have become well-to-do by producing export products. The development of export business has also helped expand employment. According to an initial estimate, nearly 20 million people are engaged in producing export products throughout the country. The increase of exports has provided the state with the foreign exchange needed to make payments to foreign countries. The total value of foreign exchange earned from trading or non-trading resources has increased to \$20.8 billion in 1980 from \$15.6 billion in 1979. The foreign trade deficit was \$110 million less than originally expected.

RENMIN RIBAO ON FARM PRODUCE PROCUREMENT

OW291039 Beijing XINHUA Domestic Service in Chinese 0714 GMT 28 Nov 81

[Text] Beijing, 28 Nov (XINHUA) -- RENMIN RIBAO on 28 November frontpaged an editorial entitled "Uphold the Principle of 'Giving Equal Attention to Three Things' -- An Important Question in the Procurement of Farm and Sideline Products." The text of the editorial reads as follows:

To properly take care of the interests of the state, the collectives and the individuals in the course of procuring farm and sideline products is a matter of importance to the overall situation as well as a precondition for smoothly fulfilling the state procurement plan. It is very necessary now to reaffirm the principle of "giving equal attention to three things."

The principle of "giving equal attention to three things" is actually the principle of correctly handling the relationship between the part and the whole. In China the interests of the state, the collectives and the individuals are basically in harmony. To earnestly implement the principle of giving equal attention to the interests of the three aspects is the starting point and the goal of our party in formulating its principles and policies. State interests represent the whole, while collective and individual interests represent the part, and contradictions exist between the two.

Some localities and departments have failed to correctly handle the relationship between these three aspects in the work of procurement. This is manifested in the fact that some of them have unduly stressed state interests to the neglect of collective and individual peasants' interests while others have overemphasized individual and collective interests at the expense of state interests. As things stand, the second situation has aroused greater attention. Some areas reaped bumper harvests, but were unable to procure and deliver the badly needed farm and sideline products. Some areas that produce raw materials have built factories in a rush to process the produce on their own instead of selling the produce to the state. Some areas have retained quality produce for their own use while selling substandard produce to the state. Some departments have marked up procuring prices in raw material producing areas to compete for sources of goods with the state. Particularly noteworthy is the fact that some localities and departments have used the pretext of "enlivening the economy" to hold down the baseline of goods to be purchased by the state in a unified manner or through apportionment. They have willfully expanded the scope of goods to be purchased in excess of the quota, hence at higher prices, as well as goods to be purchased at negotiated prices. In short, some areas have found it very difficult to procure farm and sideline products and deliver them to the state. This has an unfavorable impact on the development of the national economy.

In doing procurement work, we should preserve the solemnity of state planning. Now some people have willfully raised the procuring prices for farm and sideline products for the "reason" that the peasants should be made rich as soon as possible. This is wrong. We advocate that peasants should become rich. However, they should become rich not solely by marking up prices but mainly by increasing production and improving product quality. Since the 3d Plenary Session of the 11th CCP Central Committee, the state has considerably raised the procuring prices of some farm products, thereby increasing the peasants' income. In order to readjust agriculture's internal structure and speed up the development of diversified economy, the state has used the methods of financial allowance and cut-rate prices to sell large quantities of grain and chemical fertilizer to peasants as rewards and supply them with electricity and diesel oil. This is essentially state support for and investment in agriculture. In implementing the principle of "giving equal attention to three things," the state has given full consideration to the collective and the peasants' interests. In times of agricultural bumper harvest and an increase in farm products and raw materials, it goes without saying that the peasants are obliged to fulfill the task of selling and delivering the various farm and sideline products, especially those products in short supply, in accordance with the state plans for unified and assigned purchases.

In purchasing farm and sideline products by commerce departments in some localities, there are some problems concerning their implementation of the purchase plan, the price policy and the policy of encouraging farm produce sales by giving awards. For example, when certain products produced by peasants are plentiful, they have to be sold through some promotion effort; however, those commerce departments, instead of making virorous efforts to promote the sale of such products, hastily refuse to purchase them in the first place. When farm and sideline products become scarce, they purchase them by compulsory or other similar means. When peasants sell and deliver farm and sideline products above their quotas, they should be given awards in accordance with the policy; however, such awards given by those commerce departments are not worth as much as stipulated. In purchasing farm and sideline products, those commerce departments even downgrade such products or force their prices down to the detriment of peasants' interests, and so on and so forth. All this has dampened peasants' enthusiasm for production.

Effective measures must be taken to change this situation, and commerce departments must make efforts to improve their style of work in management. On the basis of making penetrating investigation and study, they should make the requirements of the state plan harmonize with the decisionmaking right of production teams and peasants and rationally decide on the purchase plan and a ratio between the sale and the retention of farm and sideline products by peasants. Contracts should be signed to ensure the implementation of the purchase plan.

Our country has a population of 1 billion, the feeding and clothing of whom are a matter of great importance. Since the level of agricultural production in our country is rather low, it is entirely necessary for the state to effect monopoly or assigned purchase of grain, cotton, edible oil, live pigs and other major farm and sideline products in order to insure national construction and the basic needs of the people in livelihood. This is aimed at implementing the policy of "overall consideration and all-round arrangement." Our principle of "taking account of the interests of the state, the collective and the individual" should not only take the interests of the collective and the individual into account but, more importantly, take the overall interests of the state into consideration. Only when the overall interests of the state are ensured can there be a reliable basis for the interests of the collective and the individual. It is wrong for some localities to have stopped assigned purchase of farm and sideline products. They should act according to policy and uphold the system of monopoly or assigned purchase. No one is allowed to meddle in the monopoly or assigned purchase of commodities that are required by the state to be purchased this way, nor is anyone permitted to willfully lower basic purchase quotas and increase the proportion of purchasing additional commodities at a higher or negotiated price.

Now is the peak period of purchasing farm and sideline products. In doing so, it is of special, great immediate significance to reiterate the principle of "taking account of the interests of the state, the collective and the individual." This is a major matter concerning the overall situation. All parties concerned should unify their understanding, coordinate with one another and implement the principle of "taking account of the interests of the state, the collective and the individual" to the letter. Party committees at all levels and the departments concerned should effectively perform ideological and political work and educate and encourage the broad masses of commune and brigade cadres and peasants to carry forward the patriotic spirit, to have the cardinal principle in mind and take the overall situation into account and to contribute to the four modernizations by vigorously fulfilling the plan for the purchase, allocation and transfer of farm and sideline products.

CORRECTION TO CPPCC NATIONAL COMMITTEE NAMELIST

The following correction should be made to the namelist of 70 new members of the CPPCC National Committee published on pages K 1 and 2 of the 24 November China DAILY REPORT:

On page K 2, paragraph 1, line 2 should read ... Jia Guifan [6328 2710 5672]

ANHUI CIVIL AIR DEFENSE CONFERENCE ENDS 24 Nov

OW251448 Hefei Anhui Provincial Service in Mandarin 1100 GMT 25 Nov 81

[Text] The Anhui provincial civil air defense work conference, which ended in Hefei on 24 November, summed up this year's work and discussed and arranged next year's tasks. The conference suggested that the province's civil air defense work in 1982 should emphasize the conscientious implementation of the guidelines and stipulations of relevant central documents, the further implementation of the principles for readjusting the national economy, the promotion of stability and unity, and the strengthening of leadership over civil air defense work.

The conference also suggested that the province grasp the key projects in civil air defense construction, continue to pay attention to both peacetime and wartime needs, further develop propaganda and education work, pay attention to organizational and command work, begin what should be done step by step and item by item and continue to do a good job in financial and supply work.

Yu Guangmao, deputy leader of the provincial civil air defense leading group and commander of the Anhui Provincial Military District, spoke at the conference. He said civil air defense is an important field of work in preparedness against wars of aggression. It is hoped that party committees, governments and military departments at various levels will strengthen leadership and regularly hold discussions and studies. All concerned departments should give energetic support and voluntarily create conditions for civil air defense work and make concerted efforts to do it well.

Cheng Yetang, deputy leader of the provincial civil air defense leading group, spoke at the conference. Directors of civil air defense offices of various municipalities and engineering and technical personnel concerned attended the conference.

FUZHOU'S YANG CHENGWU ON COMPILING PARTY HISTORY

OW010935 Fuzhou FUJIAN RIBAO in Chinese 21 Nov 81 p 1

[Text] The Fuzhou PLA units are vigorously carrying out the work of soliciting documents on party history. Actively responding to the call by the central authorities, many veteran comrades who joined the army during the first and second revolutionary civil wars have pledged to record their experiences during the struggle in order to contribute to the work of compiling party and army history.

Commander Yang Chengwu and Political Commissar Fu Kuiqing have attached great importance to this work. Deputy Political Commissar Song Weizhi has taken a personal hand in implementing the work. All levels within the Fuzhou PLA units have swiftly set up the organizations for soliciting the documents. All organs under the headquarters and political and logistics departments of the units are making concerted efforts in assigning special cadres, appropriating funds and providing other good conditions for carrying out the work.

They have held discussion meetings, gone on visits and adopted other measures in order to inspire the work. Among the 37 veteran comrades visited by the Fujian Provincial Military District's soliciting office, 21 immediately expressed their willingness to write on their experiences and 5 other comrades said that they would begin writing as soon as they complete preparations. Veteran comrades of the headquarters and political and logistic departments of the Fuzhou PLA units, who joined the army before the second revolutionary civil war, have already taken action. Meng Yu of the logistics department alone has indicated his intention to write 20 memoir-type articles.

JIANGSU'S XU JIATUN URGES IMPROVING WORK STYLE

OW291125 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 28 Nov 81

[Text] In order to successfully build a material civilization as well as a spiritual civilization, we must first study the resolution and then strive to improve our party's work style. Comrade Xu Jiatun said this in his report to the 27 November provincial cadres meeting. Attending the meeting were comrades attending the third class for studying the resolution run by the provincial party committee, comrades attending a class for studying the resolution run by the science education department of the provincial party committee, students of the provincial party committee's party school and responsible persons from various departments of provincial-level organizations.

After reviewing the progress incumbent party members and cadres throughout the province have made in studying the resolution, Comrade Xu Jiatun put forward four suggestions on how to continue studying the resolution and improving the party's work style:

1. Emancipate our thinking and enhance our revolutionary spirit. The resolution can serve as a model for emancipating our thinking. Without the courage of a true materialist, it is impossible to do away with old conventions and arrive at new scientific conclusions. First, in order to do away with old conventions and arrive at new scientific conclusions, all trades and occupations must learn from the athletes of the Chinese national women's volleyball team. Their revolutionary spirit serves as a model for all fronts. With this revolutionary spirit all fronts will be able to catch up with or surpass advanced standards at home and abroad in a short time. Next, speed and efficiency should be emphasized in all fields of work, particularly economic work. A yearend work appraisal should be conducted to commend the advanced and properly criticize the units and individuals who should have been promoted to the rank of the advanced but failed. Yearend work appraisal should be accompanied by awards. Next, there must be a plan. Both units and individuals must have a plan.

2. Persist in seeking truth from facts and follow a correct ideological line. The resolution is a model for seeking truth from facts. In studying the resolution we must proceed from reality and dare to affirm what is right and negate what is wrong. However, it is not easy to comply with the principle of seeking truth from facts: We must have courage, dare to face reality and avoid being influenced.

Some important ideological problems the party now faces are that some comrades make no distinction between right and wrong and regard right as wrong, that some people believe that they are always right and that some people dare not uphold what is correct and dare not criticize what is wrong. These are problems of persisting in seeking truth from facts. In short, if we persist in seeking truth from facts we must persist in conducting investigations and study, thoroughly understanding the facts and discovering objective laws. We should decide to uphold what is right and rectify what is wrong on this basis.

3. Strictly implement the "guiding principles for inner-party political life" and observe party discipline. Efforts should be made to correct bad practices and to prevent leading cadres from claiming special privileges.

Of course, it is necessary to oppose bad practices in life and in work, but what is most important is that we should agree with the party Central Committee politically. Organizational and disciplinary problems exist in all trades and occupations. It is their duty to solve these problems.

4. Persist in democratic centralism and seriously conduct criticism and self-criticism. The leadership should pay attention to promoting democracy, while the individual should respect the collective. Leading cadres should take the lead in making criticism and self-criticism. They should set an example in making self-criticism first.

HUBEI URGES IMPLEMENTING RESOLUTION IN SCHOOLS

HK251100 Wuhan HUBEI RIBAO in Chinese 9 Nov 81 p 3

[Article by Shi Zirong [0670 1311 2837]: "Implement the Spirit of the Resolution, Strengthen Ideological and Political Work in Schools"]

[Text] It was pointed out in the Resolution on Certain Questions in the History of the Party Since the Founding of the PRC, adopted at the 6th Plenary Session of the 11th CCP Central Committee, that ideological and political work is the lifeblood of economic and all other work. This is also an important idea put forth by Comrade Mao Zedong which has far-reaching significance. Ideological and political work is of particular significance in schools. It is not merely a guarantee for the students to do a good job of studying and for maintaining unity and stability in schools and order in the classroom, but also an important aspect of socialist education. "Education of the people takes a hundred years to bear fruit," and we must work from the very beginning. The total population in our province is some 40 million and there are more than 10 million primary and secondary school students, accounting for one-quarter of the province's total population. In several years' or a decade's time, they will become the principal shock force in constructing the four modernizations. Their ideological state, level of knowledge and physical build is not only a concern of thousands of households and innumerable parents but is related to the development and prosperity of our country. Therefore, our education workers should not have doubts or waver in their determination in strengthening ideological and political education in schools and implementing the educational principles in an all-round way.

I.

Over the past few years, schools in various places throughout the province have seriously implemented the party's line, principles and policies formulated since the third plenary session, carried out education in the four basic principles in a scheduled way and extensively launched the activities of "learning from Lei Feng, establishing a new work style and promoting the 'three-goods' spirit" and the civilization and politeness campaign of "five stresses and four beauties." In addition, since the commencement of the new semester, the schools have organized the teachers and staff members to systematically study the resolution and carried out education among the students in the spirit of the resolution. They have also been actively implementing the regulations for primary and secondary schools students which had been officially issued by the Ministry of Education.

In the current work of strengthening ideological and political education in schools, a prominent problem has cropped up which is worthy of our attention. It is how to view the so-called "pressure in qualifying for entry to schools of a higher grade." This is a problem in education as well as a social problem which we should not and cannot avoid. Practice over the past few years has shown that the one-sided pursuit of a higher proportion of students entering into schools of a higher grade not only could not ease the contradiction of entering schools of a higher grade but caused the students to deviate in their ideology and to have health problems. In some cases, the students were unable to do a good job of their studies, bringing about a series of problems to the work of the school and affecting both the physical state and spare-time studies of the teachers. If we let the situation drag on, there is likely to be another "catastrophe" in our educational cause, which goes against our subjective desire. The broad masses of education workers, in particular the teachers and all learned people in society, are deeply worried about such a phenomenon. We hope that party and government organs at all levels, leading cadres at all levels and all sectors and trades in the society will support the work of the schools and work with concerted efforts with the broad masses of education workers to gradually solve this problem and put an end to such an abnormal phenomenon. We must realize that general education shoulders a dual task. It must on the one hand cultivate students who are qualified for entering schools of a higher grade and, on the other hand, provide a qualified reserve labor force for various fronts, particularly the agricultural front. For a relatively long period of time to come, only a minority of the higher secondary school graduates will be able to enter universities, and the majority of the students will have to engage in labor or other kinds of jobs.

Our education work must suit the demands of this objective situation and absolutely cannot lead the students to adopt the idea of shaking off physical labor and jumping off the road which leads to "agricultural work." This question is of fundamental importance and we must not have a vague understanding of it. A high or low proportion of students entering schools of a higher grade cannot be taken as the sole criterion to judge whether or not a school is well run. To a very large extent, particularly at the present stage, the proportion of students entering schools of a higher grade is determined by various conditions such as manpower, material and financial resources, number of students and so forth. It is very unscientific if we compare, prior to making any analysis, the proportion of students entering schools of a higher grade among different schools. Generally speaking, it is good to have a higher proportion of students entering schools of a higher grade. However, it should be the consequence of implementing the educational principles in an all-round way and improving the quality of education, and should not be the sole aim of running schools. Furthermore, we must not pursue the goal of having a higher proportion of students entering schools of a higher grade at the expense of moral and physical education or by means of grasping intellectual education in violation of the objective laws.

The resolution explicitly pointed out: "We must strengthen and improve ideological and political work and educate the adults and youths in Marxist world outlook and communist morality. We must persistently carry out the educational policy which calls for an all-round development morally, intellectually and physically, for being both Red and expert, for integration of the intellectuals with the workers and peasants and the combination of mental and physical labor." The resolution suggests that comrades of the education departments at all levels and school cadres and teachers do a good job of studying and understanding this important policy and affirm and correct, to a greater extent, the guiding ideology in running schools. As for the work of schools, moral, intellectual and physical education are interrelated and promote each other. We must not solely stress one aspect and neglect the others. We have made great progress in our work in the past few years. This is an undeniable fact. However, there are still questions in handling the relationship between moral, intellectual and physical education. We should not be afraid of the existing problems and should face them squarely and make efforts to solve them. Then, we will advance in our causes. What is wrong with this? At present, a small number of comrades still do not have a clear head. They are unhappy to hear people talk about such problems, and furthermore, they do not take any initiative to conscientiously sum up experience and lessons or solve existing problems. This is in fact a very bad attitude.

There is, at present, a question of cognition of general significance. It is lack of confidence in strengthening ideological and political education in schools. Some comrades usually take the negative influence of certain social and family factors too seriously and underestimate the roles of school education. It is because of this that they feel helpless and do not take the initiative in promoting ideological and political education among the students. Here, it is necessary to make a specific analysis in an all-round way of family and social influences. Despite the pernicious influences, family and social factors also exert good influence on the ideology of the students. Furthermore, positive and active influence is of primary significance in our country's social life today. The question is that we should be good at guiding the youths and juveniles and enhancing their ability to tell right from wrong, thus enabling them not to be carried away by bad things but to launch struggles against them. So long as we do our work well, we will be able to achieve this. The school is the cradle of social spiritual civilization. Revolutionary mood in schools can and definitely will promote a revolutionary mood in society. Of course, while recognizing the significance of school education, we must still pay attention to working in connection with family and social education. Only if we achieve "integration of the three" -- school, family and social education -- can we maintain unanimity in education and give play to the important role of education in cultivating and molding people. Currently, the party's work style, social mood and social order are gradually taking a turn for the better.

The party Central Committee's repeated calls to the whole party and society on showing more concern for the healthy growth of youths, juveniles and children have received a warm response from the party, government, military organs, the people and other sectors. This situation shows very powerful support for strengthening ideological and political education in the schools. With increased confidence, we should do a better job of ideological and political education in the schools.

II.

The resolution adopted at the 6th Plenary Session of the 11th CCP Central Committee not only affirmed to a greater extent the position of ideological and political work but also provided a criterion and weapon for launching ideological and political education in schools. The present stage is a good opportunity for us to restore and carry forward the party's fine tradition of launching ideological and political work, strengthening ideological and political education in schools and promoting various tasks on the education fronts. First of all, it is necessary to seriously grasp studying the resolution and profoundly carry out education in the four basic principles. Simultaneously, we must, according to the age and characteristics of the students, carry out education for the students in patriotism, Marxist theories, communist morality and education in cherishing labor and arduously carrying out struggles. Regarding primary and secondary school students, it is necessary to implement the spirit of the resolution through the whole process of education and in the classroom. On the basis of maintaining the original syllabus, the political lessons must absorb the relevant contents of the resolution, so as to enable the students to understand certain conclusions as well as to obtain relevant fundamental knowledge. We can still organize various forms of activities such as visits and interviews in coordination with studies, enabling the students to have more contact with the actual social conditions, widen their scope, improve their perceptual knowledge, establish their fundamental stance and develop their affection for the Communist Party and the socialist motherland.

The activities of "learning from Lei Feng, establishing a new work style, promoting the 'three-goods' spirit," and the "five stresses and four beauties" suit the characteristics of the primary and secondary school students. We should put forward different proposals and demands in accordance with the characteristics of students of the different levels in senior middle school, junior middle school and primary schools and profoundly and persistently launch these activities. We must not like a gust of wind promote activities only for a very short time. Vigorously commending good people and good deeds is one of the efficient methods. However, we must be meticulous in studying how to develop a good political atmosphere, enabling the revolutionary ideals and sentiments to gradually and imperceptibly penetrate into the ideology and actions of the students.

At present, the phenomenon of showing no enthusiasm for labor is appearing among certain students. The situation is worse among some students of higher grades who are too lazy to be concerned with everyday matters. We should attach great importance to these phenomena. We should put it this way: The students do not study for the sake of renouncing labor but for the sake of enhancing their awareness, mastering good techniques and building up their physiques to be better qualified for doing labor. Despite the fact that some people will be engaged in mental labor, mental labor and physical labor are integrated with each other. The more the students study, the less their enthusiasm for labor; this means that a lot of flaws exist in our education work which will do harm to both the state and the people. Therefore, attaching importance to students' labor education is one of the significant principles in our current education work. Our schools at all levels must seriously deal with this major affair. We must, first of all, promptly launch training and education in labor in accordance with the demands of our training targets and teaching schedule and in accordance with the specific local conditions.

Strengthening ideological and political education in schools, we must proceed from showing concern for and cherishing the students in upholding the principle of education by positive examples. Fervently loving the students is the premise for educating good students. Only by taking care of everything for the students and enabling them to willingly keep close ties with the teachers can we master the students' ideology and pulse and obtain good educational results. Due to "leftist" influences in the past, some confusion resulted in the schools concerning criticism of the so-called "education in maternal love." It is necessary for us to clarify this now. If all the teachers love the students in the same way as a mother loves her children, the situation of school education will change and attain a higher level. As far as specific methods are concerned, we must, in accordance with the characteristics of the young students, adopt various lively and vivid forms to organically integrate ideological cognitive and interesting matters. Ideological and political work is one of the sciences. We must gradually make it scientific, proceeding from reality and paying attention to effects.

Of course, showing concern for students and upholding positive education do not discriminate against the necessity for restrictions and punishment. "The state has its laws and the school has its regulations." The healthy development of the students will be ensured only when there are explicit behavioral norms. As the writer of this article, I hold that there should be an explicit set of regulations and demands for the primary and secondary school students. For instance, the students should not be allowed to dance rock and roll, wear bell-bottomed trousers, wear bizarre hair styles, smoke, gamble, read pornographic books and periodicals or sing decadent songs, and so forth. Implementation of these regulations must be integrated with the implementation of the regulations for primary and secondary school students, and persuasion and education must be the basis. In other words, we not only demand that the students know how to comply with the regulations but that they understand the reasons for them. In addition, we must also launch some vivid, wholesome and beneficial cultural and recreational activities in order to enrich the students' spiritual life. We must appropriately punish a small number of students who have corrupt morality and who refuse to repent despite repeated lessons. We must be strict in dealing with them and cannot indiscriminately make use of punishments. We must also absolutely forbid a small number of teachers to treat the students rudely or practice corporal punishment on the students.

III.

In strengthening ideological and political work in schools, it is of utmost importance to strengthen party building and building of the leadership groups in the primary and secondary schools. This is an important and pressing task. We definitely will not be able to promote ideological and political education for the students if we cannot do a good job of this task. The building of party organizations in our province's primary and secondary schools is far from perfect, distribution of party members is not proportionate, and there are quite a number of weak links. Although leadership groups of the schools have been incessantly strengthened, various problems of varying degrees still exist in many schools. We must continue to eradicate influences of the "leftist" ideology and actively and meticulously recruit party members among the teachers, and in particular, pay attention to recruiting party members from the middle-aged and old teaching force. In addition, we should vigorously promote good middle-aged and young cadres and do a good job of building the leadership groups in schools as soon as possible. It is necessary to resolutely forbid the phenomenon of transferring the backbone school leaders and teachers. At present, the education departments and party organizations in schools must work in accordance with the spirit of the central instructions to practically strengthen ideological leadership, overcome the state of weakness and laxity and resolutely and correctly struggle against all erroneous tendencies. It is necessary, starting with the leadership groups, to seriously implement the guiding principles for inner-party political life, maintain political unanimity with the CCP Central Committee, take the lead in overcoming various erroneous tendencies and unsavory trends and strengthen unity.

We must first promote ideological and political work for the teachers in order to strengthen ideological and political work for the students. This is because the educators must be the first to be educated; they directly and specifically affect the students and their growth. We have slackened our efforts in this aspect for a certain period of time in the past, and we must do a better job now. A small number of people ask: Does this mean that the party's policy toward intellectuals has changed again when the party emphasizes launching ideological struggles and overcoming all erroneous trends. This is only a misinterpretation. "We must firmly eradicate such gross fallacies as the denigration of education, science and culture and discrimination against intellectuals, fallacies which had long existed and found extreme expression during the 'Cultural Revolution.'" "We unequivocally affirm that, together with the workers and peasants, the intellectuals are a force to rely on in the cause of socialism." We must work in accordance with the spirit stressed in the resolution to unswervingly implement the party's policy toward intellectuals and strengthen ideological and political education for the teachers. These two aspects are a dialectical unity and we must not set one of them against the other. We must popularize, to a greater extent, the glorious tasks of the teachers, and the characteristics and significance of their labor, strive to create the good social mood of respecting teachers, enthusiastically show concern for them and practically do good things for them and help them solve specific problems. Regarding cases in certain areas of beating up teachers, we must strictly deal with them in accordance with the spirit of the provincial CCP committee's document and resolutely check this sinister trend. Simultaneously, it is necessary to correctly make use of the weapon of criticism and self-criticism, overcome certain erroneous tendencies existing among the teachers such as bourgeois liberalization, extreme individualism, anarchism, bourgeois factionalism, the trend of neglecting politics and so on. Only a very small number of personnel is especially engaged in political work in the secondary and primary schools, and it is mainly the teachers who promote ideological and political work. Therefore, we must guide each and every one of the teachers to establish the idea of both imparting knowledge and educating people, show concern and be responsible for the students. They should give full play to their role of being classroom teachers, political teachers, CYL cadres and instructors of Young Pioneers.

The schools have both scored achievements and encountered failures in promoting ideological and political work in the years since the founding of the state. Under the ideological guidance of the resolution, we must scientifically sum up experiences in these two aspects, turning them into valuable ideological wealth and taking them as examples. We must pay particular attention to establishing models. There are models in different places and among good schools, good school principals, good teachers and good students. We must vigorously commend, by means of making summations and establishing models, the good deeds of those teachers who take infinite pains, selflessly labor and make outstanding contributions to educating the students.

We hope that education workers throughout the province will study and implement the resolution, enhance their vigor, strive to cultivate youths and juveniles into new people who have ideals, morality, knowledge and physical strength and make greater contributions to building socialist spiritual and material civilization.

HUBEI MEETING URGES LABOR REFORM WORK

HK300603 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 29 Nov 81

[Text] The 10th Hubei provincial labor reform work conference and a symposium on labor education work concluded in Wuchang on 29 November. During the meeting provincial CCP committee First Secretary Chen Pixian, Secretary and Governor Han Ningfu, and Vice Governor Li Jin met all the participants and made speeches.

Comrade Chen Pixian said: Labor reform work is a major measure for preserving social order. There has now been a fundamental change in the targets of labor reform. There are more young criminals now. Our reform work must show great improvement and progress.

Comrade Han Ningfu said: Labor reform and labor education work is a part of the party's great cause of remolding man and society. Facts have proven that the force of labor reform and labor education cadres in Hubei is a trustworthy, combat-effective and good force on the province's political and legal and public security front. You are indeed nameless heroes and meritorious workers for the people. You should be respected by the whole party and the whole of society. Here, I extend sincere regards on behalf of the provincial CCP committee and people's government to all labor reform and labor education work cadres and policemen, and commanders and fighters of armed units undertaking guard tasks. In the face of the new changes in the targets of labor reform, not only must the comrades engaged in labor reform and education work teach, save and remold people like parents dealing with children suffering from an infectious disease, a doctor treating a patient, and a teacher treating a student; the whole party, the whole of society and the masses must also take this approach to work together to save them. Of course, it is necessary to punish according to law repeat criminals who oppose reform.

Comrade Chen Pixian and Han Ningfu stressed in their speeches: The provincial CCP committee and people's government must strengthen leadership over labor reform and labor education work. The provincial departments concerned must provide vigorous support and cooperation.

The conference and symposium conveyed the spirit of the eighth national labor reform work conference and summed up and exchanged experiences in labor reform and education in Hubei. On this basis, they concentrated on discussing and studying how to improve reform work. Present at the meeting were responsible persons of all prefectural and municipal public security bureaus and offices, cadres of labor reform units, and representatives of provincial units concerned, a total of 340 persons.

HUNAN VICE GOVERNOR DENIES PRICE HIKE RUMORS

HK290627 Changsha Hunan Provincial Service in Mandarin 2310 GMT 28 Nov 81

[Text] Since the reduction of prices of polyester-based cloth and the price increases for cigarettes and wine, the urban and rural markets in Hunan have been stable. Recently, however, some people have spreading rumors that prices of commodities such as cotton cloth, pork, grain, edible oil, soap, matches, domestic coal and so on are going up. As a result some of the masses have rushed to buy up cotton cloth, pork, grain and so on.

Our station reporter called on Vice Governor Shang Zijin with these problems in mind on the afternoon of 28 November. Comrade Shang Zijin said, the rumors in society that prices of the above-mentioned commodities are going up are sheer fabrications. Maintaining market price stability is a guiding principle our country has always followed. The prices of commodities that bear on the people's basic living standards, such as grain, edible oil, cotton cloth, domestic coal and so on will not go up. China has reaped bumper cotton harvests in the past 2 years, and there are ample cotton stocks. However supplies of certain categories such as white cloth and bed sheets are rather short in Hunan, due to problems in work. The departments concerned are currently taking active steps to organize production and improve supplies.

This year's cloth coupons will be valid until the end of next March; grain and oil coupons must be used in the usual way in accordance with the regulations. There has been some increase in daily pork supplies in Changsha municipality. A temporary shortage has been caused by people rushing to buy because of the price hike rumors; in addition, certain illegal hawkers have intervened by buying up pork in bulk for resale. The provincial peoples government is currently taking steps to improve procurement and supply to ensure normal supplies for the urban people.

Comrade Shang Zijin demanded that people's government and commerce departments at all levels do a good job in publicity and explanation work. He hoped that the masses would not listen to rumors. Everyone should work together to maintain market price stability and preserve stability and unity.

GUIZHOU OUTLINES CORRECT APPROACH TO BONUSES

HK250646 Guiyang Guizhou Provincial Service in Mandarin 2315 GMT 22 Nov 81

[Station short commentary: "The Interests of the State, the Collective and the Individual Must All Be Taken Into Account When Distributing Bonuses"]

[Summary] The commentary praised the supply and marketing cooperative in Shuicheng County for its refusal to pay high bonuses out of consideration for the interests of the state and the collective and said, "We should advocate similar practices of safeguarding the interests of the state and the collective and taking into account the interests of the whole." "One of the outstanding problems in carrying out the principle of distribution according to labor is to correctly handle the relationships between the state, the collective and the individual in distributing bonuses while paying attention to both overcoming egalitarianism and preventing the tendency of seeing everything in terms of money."

At present, in distributing bonuses, there are the following problems: "1) Some enterprises suffered losses but the remuneration to their workers failed to decline. As a result the enterprises had to absorb the losses. 2) Owing to their payment of high bonuses, some enterprises failed to increase their accumulated funds, despite increasing their income. 3) Some enterprises were quick to pay bonuses but were relaxed in, or simply failed to, enforce payment of penalties. 4) Some enterprises fabricated pretexts to pay improper bonuses. These unhealthy practices were very harmful both to the interests of the state and the collective and to the long-term interests of the masses."

The commentary called for the attention of the leading groups at all levels to be centered on overcoming these unhealthy practices and said, "They should do a good job in the following three aspects: 1) They should persistently take into account the interests of the state, the collective and the individual. The bonuses of workers should fluctuate in conformity with the fluctuations in the income and losses of the enterprise and with the fluctuations in the cost of their products. The increase in bonuses should be less than both the increase in state income and the increase in enterprise income. 2) They should strengthen their ideological and political work of their employees. 3) They should continuously improve the system of rewards and penalties. They should mobilize the masses to sum up experiences and revise the quota targets and expenditure to gross profit ratios that have been fixed too low and the piece rates that have been fixed too high. At the same time, there should be penalties as well as rewards."

CHI BIQING ON CHECKING GUIZHOU LEADERSHIP GROUPS

HK240246 Guiyang Guizhou Provincial Service in Mandarin 2315 GMT 23 Nov 81

[Text] Guizhou Provincial CCP Committee First Secretary Chi Biqing recently emphasized at a provincial forum on organization work: It is necessary to carry out an investigation of the leadership groups at all levels in four aspects:

1. Investigate their work results and efficiency. Have the members of leadership groups at all levels seriously changed the situation of laxness and weakness, enhanced revolutionary drive and improved work efficiency? It is necessary to see whether their work is good or bad. We should commend and support those whose work achievements are outstanding and progress great, and criticize and help those whose work achievements are poor, have retrogressed and also lack resolve to change this state of affairs. We must carry out the necessary readjustments in a few leadership groups which fail to mend their ways.

2. Investigate whether there are unhealthy trends among the members of the leadership groups. If there are, are they spontaneously setting the example in reviewing, correcting and overcoming such things, starting with themselves? Do they dare to criticize and deal with unhealthy trends in their own area, department or unit? We should commend and support good leadership groups with fighting effectiveness, which dare to criticize and put things right. There are no prospects for leadership groups with shortcomings and errors which fail to criticize and correct them. Such groups must be rectified. Unhealthy trends exist to a serious extent in some leadership groups, and the masses strongly object to them. If they fail to correct them themselves, the upper-level party organizations must rectify them.
3. Investigate whether outstanding middle-aged and young cadres have been promoted to strengthen the leadership groups.
4. Investigate whether unity in the leadership groups is good. We must criticize, educate and deal seriously with a few people who sabotage unity and refuse to mend their ways.

Comrade Chi Biqing said leadership groups at all levels in the province must carry out investigations and rectification in these four aspects. The provincial CCP committee must start with itself. The provincial departments and the leading organs of the prefectures, municipalities and counties must carry out the work from top to bottom, with one level grasping another, and set up responsibility systems. They must rectify the leadership groups according to the actual circumstances. He emphasized that so long as the leading organs play an exemplary role, the leading cadres a leading role and party members a model role, and the leadership groups are improved, we will be able to achieve great progress in solving problems of party work style, social order and economic work.

SICHUAN RIBAO DISCUSSES YEAREND DISTRIBUTION

HK280400 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 24 Nov 81

[Report on 24 November SICHUAN RIBAO editorial: "Study New Conditions, Solve New Problems and Do a Solid and Good Job in Yearend Distribution"]

[Excerpts] The editorial says that doing a solid and good job in this year's yearend distribution is a major issue concerning bringing the superiority of collective economy into full play, mobilizing the initiative of the commune members and accelerating the development of agriculture. Though our province suffered natural disasters caused by floods, unprecedented for a hundred years, and because of the arduous efforts of the cadres and the masses in the rural areas, the total grain output and the total output value of the diversified economy of the province have remained at the same level as last year or have slightly increased. This is a very favorable condition for this year's yearend distribution.

After giving an account of the complicated problems in yearend distribution caused by the establishment of various forms of responsibility systems linking remuneration with output, the editorial points out that as conditions differ greatly in different places, no uniform methods or measures can be enforced. According to the experience created by the masses in various parts of the province, we should pay attention to the following points:

1. Implementing the principle of distribution according to labor. Responsibility contracts should be resolutely abided by and the provisions on rewards and penalties should be resolutely fulfilled.
2. Taking into account of the interests of the state, the collective and the individual.
3. Carrying out the party's policy of giving preferential treatment to servicemen's households and taking care of the senile and the disabled.

4. In the areas that have been seriously affected by flood, the communes and production teams should adhere to policies such as those who grow the late autumn crops, reap the harvest. In addition, they should further arrange the people's livelihood well and solve the food supply problems for farm animals on the basis of developing production for self-relief.

The editorial concludes that at present we should vigorously stress stabilizing the existing responsibility systems, make better efforts to study the new situation and solve recent problems so as to further improve and perfect the relevant systems.

SICHUAN RIBAO URGES BETTER WORK EFFORTS

HK290537 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 27 Nov 81

[Report on 28 November SICHUAN RIBAO contributing commentator's article: "Overcome Laxness and Weakness, and Make Big Efforts in Work Implementation"]

[Excerpts] The article points out: The central authorities' principles and policies regarding industry, agriculture, finance, culture, ideology, political and legal work and so on are all extremely clear now. The provincial CCP committee has also made specific arrangements. The key lies in making big efforts to implement them. To test how well the leaders, areas and departments are working, we should look to see if they are doing solid work, how well they are doing in implementation, and how much success they have achieved in economy and ideology, especially whether they have achieved a definite economic growth speed.

A leading central comrade has pointed out: The things hindering our advance at present are ineffective direction, lack of familiarity with the situation, failure to distinguish between right and wrong, and insufficient knowledge. This has indeed hit the nail on the head. Grasping implementation is itself an action, not a slogan. The reason why we did well in flood-fighting and relief work this year was that the leaders stood in the frontline and worked in a vigorous and sound way, with the result that the masses' problems of housing, food, production, disease prevention and cure, and childrens' schooling were promptly solved one by one. We must continue to bring into play this revolutionary drive and spirit in order to win complete victory in flood-fighting and relief work, grasp all concrete tasks, fully launch the masses to repair as quickly as possible the water conservation projects, roads, bridges, secondary and middle school premises destroyed by the floods, and make proper arrangements for the livelihood of the masses in heavily stricken areas and in communes and brigades where landfalls and collapses occurred. We must certainly not treat the matter in a negligent way; we must avoid falling short of success for lack of a final effort. We must also display the revolutionary flood-fighting spirit and work style in other work.

To grasp implementation, the leaders must set the example themselves and set strict demands on the leadership groups at all levels. Overcoming laxness and weakness must start with the leaders themselves. They can only be strict with others if they are first strict with themselves. In particular, they must boldly conduct self-criticism if they have made mistakes, and accept responsibility. They must resolutely implement the central instructions and the correct decisions of higher authority, and submit prompt reports about the situation and results in carrying them out. They cannot just totally ignore them without even acknowledging them.

BRIEFS

SICHUAN MILITARY RECRUITMENT WORK -- Sichuan completed its winter military recruitment work on 21 November. The quality of the newly recruited soldiers is better than in previous years. Among the newly recruited, 25.4 percent are members of the CYL, and 99.2 percent have attained education up to junior secondary school level, while 35.6 percent are graduates of higher secondary schools. This plays an important role in the building of a modern army. In recruiting new soldiers, CCP committees and people's governments at all levels have attached great importance to the task, and thus recruitment was a success. [Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 25 Nov 81 HK]

BEIJING STRESSES MILITIA POLITICAL EDUCATION

HK301218 Beijing City Service in Mandarin 2300 GMT 15 Nov 81

[Report: "A Meeting on Political Education for the Militia Held by the Beijing Municipal CCP Committee, the Beijing Municipal People's Government and the Beijing PLA Garrison]

[Text] On 9 and 10 November, the Beijing Municipal CCP Committee, the Beijing municipal people's government and the Beijing PLA Garrison jointly held a meeting on political education for the municipality's militia. The meeting put forth measures for overcoming the lax and weak situation in politically educating the militia. The meeting conveyed and studied the spirit of a recent meeting to exchange experiences in politically educating the militia held by the Beijing PLA units. The meeting also discussed and analyzed the situation of politically educating the militia over the past 6 months.

The meeting held that, since the third plenary session, the people's armed forces at all levels have carried out, under the unified leadership of local CCP committees, education for the militia on the party's line, principles and policies, the four basic principles and patriotism. The broad masses of militiamen have made their contributions to production, preparations against war, safeguarding social order and building a socialist spiritual civilization. However, the lax and weak situation in political education for the militia still exists in some units. This is mainly manifested in underestimating the importance of political education for the militia, onesidedly stressing that production tasks are heavy and claiming that it is difficult to assemble the militiamen. As a result, political education for the militia has not been scheduled. In order to do a good job of political education for the militia, the meeting demanded that, under the present new circumstances where various kinds of responsibility systems have been adopted in industry and agriculture, the CCP committees and the people's armed forces in various localities should pay attention to resolving the contradiction between the militiamen's training, education and production. Political education for the militia should center on carrying out and safeguarding the four modernizations. The militiamen's consciousness in national defense and preparedness against war should be raised and they should be encouraged to become promoters in building a material civilization and a socialist spiritual civilization.

NEI MONGGOL URGES GREATER DISCIPLINE INSPECTION

SK220930 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 21 Nov 81

[Text] According to our correspondent (Yan Chi), the Nei Monggol Autonomous Regional CCP Committee recently relayed the proposal submitted by the autonomous regional discipline inspection commission in regard to intensifying discipline inspection, improving the party's work style and enforcing party discipline. The regional CCP committee urged party organizations at all levels and all party members to enhance their spirit, make concerted efforts and strive to make great progress in developing the party's fine work style.

The proposal of the regional discipline inspection commission notes: The pressing task we face is how to successfully improve the party's work style once and for all. We should no longer neglect the problems in this regard. We should take the spirit of the 6th Plenary Session of the 11th CCP Central Committee and the instructions issued by the central authorities on successfully improving the party's work style as the guiding ideology to penetratingly discern the urgency and importance of the task in this regard. The party organizations and discipline inspection commissions at all levels must enhance their spirit to overcome any lax and weak state of affairs and strengthen their power to struggle against violations of the law and discipline and erroneous ideological trends in order to make great progress in developing the party's fine work style within a short period of time.

In regard to discipline inspection work in the winter-spring period, the autonomous regional discipline inspection commission put forward the following three tasks:

1. We must see to it that politics conform to ideology throughout the party and that the lines set forth since the 3d Plenary Session of the 11th CCP Central Committee and the spirit of the 6th Plenary Session of the 11th CCP Central Committee are penetratingly implemented throughout the autonomous region. The work instructions issued by the CCP Central Committee to the Nei Monggol Autonomous Region should be regarded as a programmatic document in conducting work in various fields throughout the region. The discipline inspection commissions at all levels must urge party organizations at all levels across the region to earnestly implement the instructions in order to maintain the political situation of stability and unity and strengthen unity among the various nationalities.
2. It is necessary to check all malpractices that exist in the economic field. Stress should be placed on checking bureaucratic errors in readjusting the national economy and on combating other malpractices, such as actions causing losses and waste through neglect of duty; acts of stealing and selling public property by those who seize the opportunity when enterprises are closed or where production is suspended or transferred; the use of various pretexts to extort earned profits; the misappropriation of profits in public business transactions by engaging in speculation and profiteering; violations of regulations and rules in foreign trade; and attempts to establish abnormal relationships with others in order to receive bribes.
3. Efforts should be made to strengthen discipline inspection work among leagues, municipalities, banners, counties, departments, bureaus, plants, mines and enterprises to check all malpractices existing among cadres at all levels. All fronts should concentrate on consolidating their leading bodies and personnel. This means that leading bodies at all levels should earnestly conduct criticism and self-criticism to overcome the lax and weak state of affairs. As far as malpractices by cadres, such as taking advantage of their positions and power to seek personal interests and to gain privileges in regard to their livelihood, about which the masses have strongly complained, resolute efforts should be made to adopt effective measures in line with the guiding principles to check these practices immediately. At the end of 1981, it will be necessary to conduct a general inspection in line with the reports appraising cadre work among the leading bodies at all levels to look into their implementation of the guiding principles.

NATIONAL UNITY IN NEI MONGGOL DESCRIBED

OW241131 Beijing XINHUA Domestic Service in Chinese 0135 GMT 24 Nov 81

[Report by XINHUA correspondents Wang Tiqiang and Jin Shosheng]

[Text] Hohhot, 24 Nov (XINHUA) -- The cadres and masses of all nationalities in Nei Monggol Autonomous Region are continuing to conscientiously study and implement the CCP Central Committee's instruction on work in Nei Monggol. People indicate, with full confidence, that they are determined to strengthen national unity under the guidance of the party Central Committee's instruction and greatly accelerate the pace of the four modernizations in the autonomous region.

Veteran cadres of the Monggol, Han and other nationalities who have worked for a long time in Nei Monggol, are particularly touched by the party Central Committee's instruction. The party Central Committee stated in its instruction: "In the 1950's and 1960's, Nei Monggol was one of the country's advanced regions, a model among the autonomous regions of minority nationalities in implementing regional autonomy of minority nationalities, upholding the party's nationality policy and correctly handling relations among nationalities, and created a good impression at home and abroad." The veteran cadres hold that the instruction is fully in accord with Nei Monggol's realities. History has proved that only by strengthening unity among nationalities under the leadership of the Chinese Communist Party can revolution and construction forge ahead in Nei Monggol.

Veteran cadres of Monggol, Han and other nationalities say: The working people of Monggol, Han and other nationalities in Nei Monggol have always relied on close unity and fought side by side to win victories in revolution and construction. Generally, unity has three characteristics:

1. It is a unity in upholding the ideology based on a Marxist-Leninist national concept. The Chinese Communist Party began in its early years of struggle to spread Marxism-Leninism among large numbers of progressive young people of the Monggol nationality, enabling them to understand that, as the nationality issue is a component of the proletarian revolution, thorough national liberation can only be won through the revolutionary struggle of the proletariat, and that under our country's concrete conditions, the revolution can succeed only with the great unity of all the nationalities. Therefore, during the period of revolutionary civil wars and the war of resistance against Japan, the cadres and masses of Monggol, Han and other nationalities acted in close coordination with the revolutionary struggle in the whole country, regarded Nei Monggol's revolutionary struggle as a part of the nationwide revolution, always united closely and fought at the risk of their own lives.
2. The Chinese Communist Party's strong leadership is the basic guarantee for realizing the great unity of all nationalities. After liberation, the party's policies of protecting and developing the minority nationalities and of equality among all nationalities have ensured a new life for the Monggol and other minority nationalities in Nei Monggol, on the verge of extinction with sharply diminishing populations before liberation. Now the Monggol and other minority nationalities in Nei Monggol are growing and flourishing owing to constant education in nationality policies, opposing both Han chauvinism and local nationalism, the party members and cadres of Monggol, Han and other nationalities in party and government organizations at all levels are helping each other as people in the same boat, and relations are close among the masses of people of all nationalities in urban and rural areas.
3. Attention is paid to a broad united front. During the war of resistance against Japan and the liberation war, the party followed a policy of forming a broad united front of all forces including the (?upper) strata of various nationalities opposed to Japanese imperialism and the Kuomintang reactionaries. After the founding of the autonomous region, the regional party committee, in order to promote production by the minority nationalities in the pastoral areas, advanced the policies of "no division, no struggle, no determination of class status" and of "benefit for both herd owners and hired herdsman." This effectively enhanced unity among the nationalities.

Veteran cadres of Monggol, Han and other nationalities, who have worked in Nei Monggol for a long time, hold that since the 3d Plenary Session of the 11th CCP Central Committee, the autonomous regional party committee has persisted in using the line, principles and policies of the 3d plenary session to unify the thinking and actions of the cadres and masses of all nationalities in Nei Monggol and has done a great deal of work to strengthen national unity. Through in-depth investigation and study of actual conditions, and proceeding from the objective reality that there are 2 million people of the "principal nationality," that is, the Monggol nationality, and more than 16 million people of the Han nationality and minority nationalities other than the Monggols, the regional party committee has, on many occasions, carried out education in nationality policies among the cadres and masses, stressing the importance of continuing to oppose Han chauvinism and local nationalism. The regional party committee has also pointed out: Now the relationship between all nationalities is a relationship between working people, and it is necessary to correctly distinguish between and handle the two types of contradictions which are different in nature, and not to resolve contradictions among the people themselves with methods for settling contradictions between the enemy and ourselves.

In light of the fact that during the "Cultural Revolution" cadres of Monggol, Han and other nationalities all suffered persecution, and that the cadres and masses of the Monggol and other minority nationalities were persecuted even more seriously, the regional party committee has not only redressed the region's three major cases of frame-ups, false charges and wrong sentences and rescinded decisions made during the "Cultural Revolution" to redetermine class status, which resulted in the designation of "herd owners" and "rich herdsmen" and so forth, but also repeatedly stressed that cadres of Han nationality should fully understand the wounds suffered by the cadres and masses of minority nationalities during the "Cultural Revolution," understand the minority nationalities' national feelings and consciousness, educate them repeatedly at the same time to focus their hatred on Lin Biao and the gang of four and educate Communist Party members and cadres of all nationalities to have the cardinal principles in mind and take the overall situation into account and especially pay attention to strengthening national unity.

In the past 3 years or so, in implementing the policy on cadres, the regional party committee has always adhered to the policy of giving consideration to both the 2 million persons of principal or Monggol nationality and the more than 16 million of Han and minority nationalities other than the Monggols, not only promoted a number of Han cadres, but elevated a large number of cadres of the Monggol and other minority nationalities to leading positions. According to statistics, since the 3d Plenary Session of the 11th CCP Central Committee, the number of minority-nationality cadres in the region has increased by more than 14,000, and they now account for a much higher percentage of the total number of cadres in the region. Minority-nationality cadres account for nearly 60 percent of the cadres newly promoted to the department and bureau levels in the autonomous region during this period.

The veteran cadres are happy to see that, in the past 3 years or so, unity among all nationalities has been further strengthened because the regional party committee has conscientiously implemented nationality policies and worked in a down-to-earth way to readjust national relations. The working people of all nationalities in the region support each other in production, are concerned about each other in daily life, treat each other with brotherly feelings and depend on each other for survival. To meet the Monggol herdsmen's special need for millet stir-fried in butter, peasants in many places have taken the initiative in planting more of the low-yield broom corn millet to supply the pastoral areas. This year, the region has produced more than 400 million jin of broom corn millet, greatly improving the supply of fried millet to the pastoral areas. The Monggol herdsmen also support the agricultural areas with about 100,000 head of livestock annually.

This year, an extraordinarily large flood, which hardly occurs once in a century, happened on the Huang He. United as one in the flood-fighting frontline, 170,000 people of Monggol, Han and other nationalities worked side-by-side to rush-repair endangered dikes and sections. As a result, not a single man or animal was hurt along the 800 li of the Huang He in the autonomous region, and the struggle against the flood ended in victory. This is another paean to national unity.

The veteran cadres say that it is necessary to treasure this great unity among all nationalities in the autonomous region, overcome all kinds of difficulties on the road ahead by force of unity and build Nei Monggol into a still more prosperous and thriving region.

WANG DUO URGES NEI MONGGOL TO RECTIFY WORK STYLE

SK280601 Hohhot Nei Monggol Regional Service in Mandarin 2300 GMT 27 Nov 81

[Text] At the mobilization rally on rectifying party style and setting an example in the region, which was held on 20 November by a department CCP committee directly under the regional CCP committee, Wang Duo, permanent secretary of the regional CCP committee, urged large numbers of party members and cadres in the department directly under the regional CCP committee to respond to the call of party Central Committee and set an example in rectifying party style and building socialist material and spiritual civilization.

He said: To set an example in the region, we should first study the party Central Committee's directives on Nei Monggol's work, mobilize the broad masses to conscientiously implement these directives and unreservedly conform with the party Central Committee in political affairs. Second, we should set an example in upholding the four basic principles. We should not dodge the problem of bourgeois liberalization and all other unhealthy tendencies, still less do anything which runs counter to principles. We should engage in resolute criticism and struggle against these bad practices with a clear-cut stand. Third, we should set an example in rectifying party style starting with ourselves and beginning now. Cadres at all levels should carry forward the party's fine tradition and work style in line with the guiding principles, enhance spirit to fulfill their duty and give full play to the exemplary and vanguard role.

Comrade Wang Duo pointed out that in rectifying party style, departments at all levels must enforce party discipline and strictly criticize and strike at erroneous ideology, speeches and deeds which run counter to the party's line, principles and policies and the four basic principles and which incline to bourgeois liberalization. Those who refuse to mend their ways despite repeated admonitions, defy party discipline and continue to engage in bad practices must be punished according to party discipline.

More than 800 party members and cadres of various units of a department directly under the regional CCP committee attended the rally. (Xing Jian), deputy secretary of the department CCP committee, made a mobilization report at the rally.

NEI MONGGOL COMMENTS ON GRASSROOTS CADRES' ROLE

SK010629 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 30 Nov 81

[Station commentary: "Correctly Treat Grassroots Cadres in Rural and Pastoral Areas"]

[Text] Our region has reaped an all-round bumper harvest in agriculture and animal husbandry this year. The situation in the rural and pastoral areas is good and inspiring. We must credit the success to the party's line, principles and policies defined since the third plenary session of the CCP Central Committee that tally with the actual situation and are in accord with the wishes of the masses and to the plain living and hard work of the masses, especially the efforts of the grassroots cadres in rural and pastoral areas.

Nevertheless, some comrades mistakenly think brigade and production team cadres are not important after implementation of production responsibility systems -- especially in places where the systems of assuming full responsibility for farm work and of setting farm output quotas on a household basis are introduced. Some people even referred all problems arising from the erroneous leftist influence to the grassroots cadres. These views are wrong. The broad masses of grassroots cadres have been working hard day and night on the forefront of agricultural and animal husbandry production. The party needs them to implement its line, principles and policies and has to rely on them to organize and lead the masses to fulfill all tasks in the rural and pastoral areas. The views and wishes of the peasants and herdsmen are frequently reported to higher authorities through the grassroots cadres. They serve as a bridge connecting the party and the state with the masses and are a backbone force in carrying out revolutions and production in the rural and pastoral areas. Their status and role can never be replaced by the higher authorities.

After the institution of the production responsibility systems, the grassroots cadres must deal with more new issues in places where the systems of assuming full responsibility for farm work and of fixing farm output quotas on a household basis are introduced.

After implementation of responsibility systems, the duties of the grassroots cadres are even heavier. For instance, they must do meticulous work to publicize and implement the party's and state's documents and decrees, conduct ideological and political work, sign and examine contracts for specialized production, help fulfill the purchase quotas and the assigned procurement tasks of grains, oil-bearing crops, animal byproducts and agricultural and sideline products, organize people to work on farmland and grassland capital construction, promote scientific farming and animal breeding and make arrangements for the livelihood of families of servicemen, martyrs and the five guarantees households. The view that the role of the grassroots cadres is unimportant once the responsibility systems are enacted is not in conformity with reality.

After the implementation of the responsibility systems, the role of the grassroots cadres should be strengthened. Under the influence of leftist thinking, some grassroots cadres did commit mistakes of one kind or another, causing some people to suffer losses. Therefore, the grassroots cadres should sum up past experiences and lessons. The upper leading organs should be held fully responsible for leftist mistakes. The grassroots cadres are only responsible for carrying out instructions. It is unjust to refer all mistakes to the grassroots cadres. The situation of the grassroots cadres in the rural and pastoral areas is similar to that of the cadre contingent of our party. Most of them are good or relatively good. They are our party's precious wealth. Those who committed mistakes of one kind or another account for but a small number. They don't represent the character and the main trend of thought of the grassroots cadre contingent.

All grassroots cadres in rural and pastoral areas must understand that the responsibilities which they are assuming are arduous but glorious. This is the belief of the party and the people. The grassroots cadres must double their efforts, study ways to improve their work and lead the masses to contribute to building prosperous socialist rural and pastoral areas in the new situation.

NEI MONGGOL MILITARY DISTRICT COMMANDER AT RALLY

SK010900 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 30 Nov 81

[Excerpts] According to our reporter (Wei Rongjie) and our correspondent (Pan Xinmin), since the beginning of 1981 in response to the call of the CCP Central Committee and its Military Commission, the Hohhot Municipal Military District has waged an extensive campaign to learn from Lei Feng and heroes and to implement the principle of the "four have's," "three attentions" and "two fear-nots" -- which means to become revolutionary fighters with lofty ideals, good morality, knowledge and good health stressing the army's standards on appearance and bearing, good manners and discipline who fear neither hardship nor death in making sacrifices -- to promote a socialist spiritual civilization in the PLA units. In launching the campaign to create a socialist spiritual civilization, the party committee under the Hohhot Municipal Garrison District has also paid great attention to education on strengthening unity among various nationalities. Of four principal leading personnel of the Togtoh County Armed Forces department, two Han nationality cadres and two Mongolian cadres who had respected and supported each other in work and had united as blood brothers were honorably commended by its higher party authorities. This has given impetus to carrying out the campaign to learn from Lei Feng and heroes.

The Hohhot Municipal Garrison District recently held a commendation rally to award 11 advanced units and 73 individuals who emerged in the campaign. Attending the rally were (Cai Ying), commander of the Nei Monggol Regional Military District; Bu He, secretary of the Hohhot Municipal CCP Committee; and responsible comrades from the municipal garrison district. Comrade (Cai Ying) addressed the rally. He urged all commanders and fighters throughout the district to make persistent efforts to score new achievements in learning from Lei Feng and heroes and in creating a socialist spiritual civilization.

YANG YICHEN VISITS HEILONGJIANG OFFICE WORK FORUM

SK280517 Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 27 Nov 81

[Summary] Two offices of the provincial CCP committee and the provincial people's government jointly held a provincial office work forum recently. The forum emphatically discussed ways to improve current routine work of party and government organs at all levels in the province so as to better serve the organs and the masses. "Chen Jianfei, secretary of the provincial CCP committee and deputy provincial governor, attended and addressed the forum. In his speech, he expounded on the important position and role of routine office work and put forth demands in this regard. He said that to achieve success in routine office work, it is necessary to intensify ideological and political work, overcome listlessness in leadership and foster an idea of serving the people wholeheartedly. Comrades engaged in office work should enhance their sense of glory and responsibility, be diligent and conscientious in their work, willingly bear the burden of office, not indulge in idle talk, resolve to be unknown heroes of rear-service and make efforts to acquire new knowledge and approach new problems in order to gear office work to the needs of new situation."

"During the forum, leading comrades of the provincial CCP committee and the provincial people's government, including Yang Yichen, Li Lian, Chen Lei, Li Jianbai and Wang Luming, visited participants at the meeting and urged them to achieve success in doing office work."

HEILONGJIANG CIRCULAR BANS ENROLLMENT MALPRACTICES

SK301009 Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 29 Nov 81

[Text] The discipline inspection commission under the provincial CCP committee and the cultural and education office under the provincial people's government recently issued a joint circular on resolutely stopping malpractices in enrolling refresher course students in higher educational institutions. The circular points out: In recent years, after fulfilling the state unified enrollment plans; higher educational institutions have exerted efforts to create conditions to offer refresher courses for many units in line with the relevant state regulations. Some achievements have been scored in this work.

However, the refresher course system is still imperfect, and many loopholes exist. Taking advantage of this, many party-member cadres engage in malpractices and interfere with refresher work for the benefit of relatives and friends. This is a very serious problem. Some abuse their position and power by enrolling unqualified children in higher educational institutions. Some get themselves enrolled as auditors and manage to change their status to become regular students and acquire a diploma. Some units arbitrarily open classes without authorization and take the admittance of refresher course students as a means of horse-trading and back-scratching. Some units cover up serious malpractices that have been exposed and refuse to deal with them after stalling for a long time. These malpractices not only hinder refresher courses and regular educational activities but harm our party's work style and the general mood of society.

The circular urges party-member cadres, leading cadres at all levels in particular, to strictly observe the guiding principles and implement the state regulations on enrolling refresher course students in an exemplary way. It is forbidden to abuse one's position and power and use other illegal means to get one's children enrolled in higher educational institutions. In admitting refresher course students school authorities should seriously examine applicants' qualifications. It is forbidden to enroll them through the backdoor. Higher educational institutions and party organizations which have staff members attending refresher courses are ordered to reexamine the students and send back those unqualified to their former units.

Discipline inspection departments of the party must regard the elimination of these malpractices as part of the campaign to improve the party's work style. Units and individuals that continue to engage in malpractices and refuse to mend their ways should be investigated and severely punished.

JILIN SUCCESSFUL IN MILITIA TRAINING WORK

SK300434 Changchun Jilin Provincial Service in Mandarin 2200 GMT 29 Nov 81

[Text] Since the readjustment and reformation of the 1981 militia training work and on the basis of the new situation in which the militia has to attend a longer training course and has more training subjects, the party committees and the people's armed forces departments at all levels throughout the province have started training work earlier than usual and have scored achievements in this regard. Up to now our province has overfulfilled the annual militia training task by 10.5 percent. Our province has paid attention to the following aspects:

1. Our province has made an early start in militia training and has enforced the system of [words indistinct] to promote this work.
2. It has trained backbone cadres early.
3. It has made early arrangements for personnel to participate in training.
4. It has made early preparations for teaching materials and training equipment.
5. It has made early arrangements for training grounds and dining and lodging places.
6. It has started training early.

Because of good preparatory work, our province has succeeded in making an early start in militia military training.

BRIEFS

HEILONGJIANG EMPLOYMENT -- From 1979 to the end of 1981, Heilongjiang Province arranged jobs for 1.61 million persons in rural and urban areas. Most localities have found jobs for those persons who have been unemployed since 1979. Some localities have found jobs for those who became unemployed this year. In the past 3 years, the province has established various forms of collective economic units, creating jobs for 1 million persons. Over 52,200 households have engaged in individual businesses, hiring 62,000 persons, including 13,700 unemployed youths. [Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 25 Nov 81 SK]

JILIN EMPLOYMENT -- In the past 3 years, Jilin Province has arranged jobs for 1,089,000 persons, 85.8 percent of unemployed persons. From January to October of this year, the province has arranged jobs for 229,000 persons. Eleven municipalities and counties have found jobs for unemployed youths who awaited jobs since 1978. Forty municipalities and counties have found jobs for unemployed youths who have awaited jobs since 1979. [Changchun Jilin Provincial Service in Mandarin 1100 GMT 25 Nov 81 SK]

JILIN AFFORESTATION -- Changchun, 20 Nov (XINHUA) -- Jilin Province has so far afforested 2.6 million mu of land this year, overfulfilling the annual target by 33 percent. [Beijing XINHUA Domestic Service in Chinese 0135 GMT 20 Nov 81 OW]

SHAANXI RIBAO ON RURAL CURRENCY CIRCULATION

HK241059 Xian SHAANXI RIBAO in Chinese 11 Nov 81 p 3

[Article by Wang Runzhou [3769 3387 0378] and Wen Ruiying [2429 3843 4134]: "The Effects of the Agricultural Production Responsibility Systems on Rural Currency Circulation"]

[Text] Marx pointed out: "The origin of money lies in commodity itself." ("Critique of Political Economics," p 48) The agricultural production responsibility systems which are now being implemented in the countryside and are an important reform in the management system of the collective economy, have brought about a series of new changes in production, distribution, exchange and consumption in the country and have had quite a great effect on rural currency circulation. To study and investigate seriously the new changes in rural currency circulation and to adopt appropriate measures accordingly will certainly contribute to making further advances in the countryside where the situation is excellent and give an impetus to our national economy in heading for a more prosperous phase.

At present, the following changes exist in rural currency circulation:

1. Change in the quantity of money. After the implementation of the agricultural production responsibility systems, the farmer's enthusiasm for production has been further mobilized. As a result, agricultural production has substantially increased and there has been a steady increase in the commodity rate of agricultural sideline products. This is a feature of the excellent situation now prevailing in the countryside. Our country is a big agricultural country. Its agricultural production has always been at a fairly low level of development. A very high percentage of its economy is taken up by the natural economy, while the commodity rate of agricultural sideline products is only about 30 percent. Since the commodity rate is low, the quantity of money in the farmers' hands is rather small and the channels of rural currency circulation are comparatively narrow. After the 3d Plenary Session of the 11th CCP Central Committee, due to thoroughgoing implementation of the various important economic policies and decisions adopted by the party, especially the agricultural production responsibility systems, the rural commodity economy has greatly developed, and the demand for money on the rural market has grown sharply, even at a much greater rate than in the cities. If we consider that the year 1954, with the unified state purchase and distribution of cereals and cotton, marked the first massive inflow of money into the countryside, then the implementation of the agricultural production responsibility systems marks the beginning of the second massive inflow of money into the countryside ever witnessed in the history of our country. When in our vast rural areas money has flowed into all fields and has given clear evidence of performing its functions, the rural money economy will start flourishing in an unprecedented way. Judging by what we have seen up to now, the growing demand for money on the rural market is the result of the following factors: 1) due to the remarkable results achieved in boosting agricultural production, production teams and commune members have more agricultural sideline products at their disposal. They may, therefore, after fulfilling the tasks within the framework of purchases on a requisition basis and by state quotas, sell to the state a growing amount of agricultural sideline products at prices above state purchase prices or at negotiated prices. Thus, the money income of farmers has grown substantially; 2) peasants now enjoy autonomy in respect of production, may use as they wish and according to their special skills and knowledge their surplus labor time and labor force to officially engage in household sideline production and labor service occupations. This also accounts for the growth in money income; 3) under the agricultural production responsibility systems, farmers are in a position to provide a larger variety of agricultural sideline products to trade fairs held in cities and in the country alike.

This results in a larger volume of fair trade transactions and therefore requires a corresponding increase in the amount of currency in circulation. Last year, fair trade volume in our province increased by 28.25 percent over the previous year, accounting for 15.8 percent of the total commodity retail sales volume, 2.2 percent over 1979. Thus, the amount of money in circulation has to be increased appropriately; 4) as a result of the economic development in the countryside, the amount of money retained by the collectives and individual commune members has increased. The amount of money retained by the commune members has grown particularly fast. In 1980, the amount of money retained by all the commune members in our country averaged 25 yuan 6 jiao 4 fen per capita, a rise of 29.69 percent over 1979. Despite a severe drop in production due to the calamities hitting our province, the average amount of money retained by the commune members of our province was still slightly more than last year.

2. Change in the time taken for currency to circulate. After the implementation of the agricultural production responsibility systems, distribution in the countryside has followed a somewhat different pattern, which shortens the time required for putting currency into and withdrawing it from circulation. Distribution in the rural collective economy used to be centralized. Only at the end of every year when the total work points were worked out, did the peasants get their remuneration for labor. It is now different in the sense that in the communes and brigades under contract for fixed output, the part of output exceeding the quota is returned directly to the work groups or peasants concerned. As regards the sale of agricultural sideline products to the state, production teams used to be the selling units, the sales were centralized, as were the settlement of accounts, effected basically through bank transfer. Since farm output quotas are now fixed for each group and each household, and full responsibility for task completion is assigned to each household, sales to the state are now mainly made by individual work groups and commune members instead; on the other hand, a greater number of payments for state purchases are being made in cash, that is, peasants may receive their remuneration for labor at the time of sale. This results in a change in the time required for putting currency into and withdrawing it from circulation. Previously, massive inputs of currency for the countryside were made at the end of the year when distribution takes place, and massive amounts were withdrawn from circulation before the spring festival. This law has now been changed. While a large quantity of money is put into circulation during the season when the state purchases agricultural sideline products, currency is also simultaneously put into and withdrawn from circulation. As a result, throughout the year, peak buying and selling seasons on the market come earlier.

3. Change in interregional currency circulation. Under the situation whereby diversified economic sectors and sales outlets coexist, currency circulates in larger areas and regions, keeping pace with the extension of the agricultural production responsibility systems and increase in fair trade volume. Now not only are three kinds of small commodities allowed to be sold freely, but first and second category products may also enter trade fairs, provided that the task within the framework of state purchase on a requisition basis and by quotas has been fulfilled. Since fair trade exchange is more susceptible to the law of value, peasants rush to places where the prices of agricultural sideline products are high and where manufactured goods are of good quality and cheap price. Besides, during slack seasons, peasants may transport goods for sale on a small scale. This increases the quantity of currency circulating between areas and regions. According to the statistics of several counties in southern Shaanxi, in 1980, after the peasants had sold their agricultural sideline, local, and special products to adjacent provinces, there was an influx of over 500 million yuan.

4. Change in currency circulation channels. The implementation of the agricultural production responsibility systems has given rise to a striking change in the consumption structure of peasants: the consumption of capital goods advanced noticeably. According to a survey conducted by the Yayao Quzi production team in Dingbian County: During the period from January to July this year, the total expenditure in cash of 24 basic households amounted to as much as 115.2 percent of their cash expenditure in the whole year of 1980. Their cash expenditure on purchasing chemical fertilizer, insecticides and other capital goods was 89.3 percent up over the whole year of 1980. The peasant's expenditure on capital goods is therefore expected to increase steadily in the future.

With the growth of peasants' income, more and more consumer goods are being sold on the market and there is a trend of demand for more variety and for goods of medium and high quality. With regard to housing, there is a demand for brick and timber structures, glass windows and space, air and brightness. The "fervor of building houses" upsurging everywhere in the country in the past couple of years is a clear sign of it. Besides, people are now better clothed, buying much more materials and readymade garments. As regards other consumer goods, people are particular about them, preferring articles of well-known brand, good quality and tasteful presentation. With respect to food, people want not only enough food to eat, but also good food. People are also pressing for better organization of cultural and recreational activities, while a growing number of people are going to the theater and the cinema. In areas where living conditions are fairly good, peasants even want to travel and to go sightseeing.

In order to better regulate rural currency circulation in the light of the new situation, we feel that it is essential to grasp well the following work:

1. Great efforts should be made to increase production of light industry products and to make more manufactured goods available to the countryside, so that the demand resulting from the growing purchasing power in the countryside may be met. At present, special attention should be paid to three things: First, commodities like bicycles, sewing machines, watches and radio sets, which are in great demand, must be earmarked for rural and urban distribution according to a ratio fixed by the state. It has been suggested that the commercial departments assign as a reward special quotas for peasants selling above-average amounts of agricultural sideline products to the state. Second, the agricultural machines and tools of good quality and cheap in price, taking a path of agricultural mechanization that is in accordance with our national condition. Third, the departments in charge of supply, should supply more cement, steel, timber, glass and other building materials to the country; enterprises set up by counties and communes may try to create conditions of manufacturing prefabricated cement materials so as to meet the demand of farmers for better housing conditions.

2. Labor service occupations in the countryside should expand at a relatively good pace. First of all, the repair trade should expand so as to solve the existing problems of maintaining and repairing the daily increasing number of radio sets, bicycles, clocks and watches, sewing machines, and so on, that are being accumulated in the countryside. Second, more barber shops, beauty salons, public baths and photo studios should be set up according to plan; in larger market towns, we may consider establishing permanent cinemas and theaters so as to meet peasants' needs and open up another channel for withdrawing currency from circulation as well.

3. Studies to improve the work of settling accounts in the countryside. For agricultural sideline products sold by production teams collectively or sold by work groups, accounts should be settled through bank transfer as before, if the sellers agree.

Service trades and small enterprises newly established in the countryside should be allowed to open bank accounts and, if needed, to make use of bank transfers. Further study has to be made so as to decide if it is feasible to use bank transfers as means of settlement for agricultural sideline products sold by peasants individually.

4. Rural idle funds should be organized so as to withdraw more currency from circulation. There are now two problems facing us: first, to enhance the establishment of rural credit institutes, enquiring into the feasibility of setting up credit societies at the level of the production brigades, which will enable commune members to deposit and withdraw money more conveniently; second, to introduce, in accordance with the peasants' requirements, new kinds of savings accounts with simplified formalities, which would in turn withdraw more money from circulation.

SHAANXI CARRIES OUT INDUSTRIAL REORGANIZATION

HK010735 Xian Shaanxi Provincial Service in Mandarin 0500 GMT 30 Nov 81

[Text] Since the 3d Plenary Session of the 11th CCP Central Committee, our province has actively carried out industrial reorganization. In only about 2 years, the industrial and communications system established 49 specialized corporations and general plants, reorganized 851 enterprises and demonstrated the strong points of the economic integrated complexes. Facts have proved that the economic integrated complexes have raised the level of cooperation among specializations. Among the plants, five general plants producing bicycles, sewing machines, paints, boilers and standard construction materials and two companies involved in leather processing and packaging which were reorganized or set up in the beginning of 1980 have learned from others' strong points to offset their weaknesses in a planned way, divided production work, embarked on specialized production and thus enhanced the capacity for comprehensive production.

When the Xian bicycle general plant was established, the rate of accessory production was less than 30 percent of its capacity, but with the cooperation of 11 economic integrated complexes which have divided production work, the present rate of accessory production has been raised to 85 percent of capacity. Some companies and general plants have improved the situation in which enterprises exercised separate leadership and carried out separate management. In the course of developing production, they have concentrated their forces on the major weak links and key products. Since the establishment of the provincial textile corporation, it has concentrated its manpower and material and financial resources on developing printing, dyeing, cotton textiles, knitwear and weaving. It has spent 80 percent of its funds on tapping potentials and carrying out technical modifications in this respect. It is estimated that after the development of all 54 production processes has been carried out, the corporation can increase its output value to 500 million yuan and pre-tax profits to 150 million yuan.

In the aspects of readjusting industries, arranging production, handling the relationship between production, supply and marketing and improving production technology, these corporations and general plants have played the guiding role. Since the establishment of the provincial industrial art corporation, it has formulated a unified plan for developing 94 factories and cooperatives throughout the province, strengthened building of its productive force, organized supplies of raw materials and laid stress on the development of souvenirs for tourists so as to raise its total industrial output value very quickly. The total industrial output value in 1979 was 12 percent more than in 1978 and the total industrial output value in 1980 was 20 percent more than in 1979. The total industrial output value from January to August this year was 16 percent more than in the corresponding period of last year.

Of the corporations and general plants which have been reorganized or built in our province over the past 2 years or so, 36 have developed industrial and consumer goods and promoted the development of textile goods, sewing machines, clocks, watches and bicycles. The average annual increase in textile industrial output value in 1980 and 1981 was 4.2 times greater than that from 1969 to 1979.

SAUDI INTERIOR MINISTER RULES OUT BEIJING TIES

OW270558 Taipei International Service in English 0100 GMT 25 Nov 81

[Text] At a recent meeting between Saudi Interior Minister Nayif ibn 'Abd al-'Aziz Al Sa'ud and Republic of China Ambassador to Saudi Arabia Hsueh Yu-chi, the Saudi prince declared his nation will never establish diplomatic ties with any communist nation as communist ideology is in fundamental conflict with Islam, which is the foundation of the Saudi kingdom.

The prince's statement rules out any Saudi ties with the Chinese communist regime. The topic which has been the subject [words indistinct] in the world press.

Prince Nayif ibn 'Abd al-'Aziz Al Sa'ud said his government is fully aware of the aggressive nature of communism judging from the Soviet action in Afghanistan, South Yemen and Ethiopia. The prince also emphasized that the relations between his nation and the Republic of China have been fruitful and cooperative.

SAUDI HEALTH MINISTER ARRIVES IN TAIWAN

OW251453 Taipei CNA in English 1433 GMT 25 Nov 81

[Text] Taipei, 25 Nov (CNA) -- Saudi Arabian Health Minister Dr. Husayn al-Jaza'iri arrived in Taipei Wednesday evening for a five-day visit.

The minister was accompanied by Dr. Abbas al-Marzouqij, director general of health service in western region of the Saudi Health Ministry.

They were greeted upon their arrival at the airport by officials of the Chinese national health administration and Saudi Amb. As'ad 'Abd al-'Aziz az-Zuhayr.

During their stay here, the Saudi minister will hold talks with Chinese leaders on strengthening health cooperation between the two countries and visit the nation's health facilities.

This is Dr. Jaza'iri's second visit to Taipei in his current capacity. He came here in 1979 and during that visit the Chinese Government agreed to help open two of the Saudi Health Ministry's 5 major hospitals in the kingdom.

Currently, there are more than 1,000 Chinese doctors, nurses and technicians working at the two hospitals, one in Jiddah and the other in Hofuf.

BRIEFS

DEEP SEA FISH CATCH -- Taipei, 18 Nov (CNA) -- The fish catch in the Taiwan area amounted to 670,000 metric tons in the first three quarters, accounting for 68.5 percent of the yearly target, according to the statistics of the Taiwan Fishery Bureau. The statistics show that in the nine-month period, fish catches in the four major categories were: the deep-sea fishing industry, 241,000 metric tons; the offshore fishery, 254,000 metric tons; the coastal fishery, 27,000 metric tons; and fish culture, 147,000 metric tons. Compared with the same period of last year, the deep-sea fishing this year is 28,000 metric tons less than last year, and fish culture production, 25,000 metric tons higher than last year. Fishery personnel say that the yearly target of 979,000 metric tons might not be realized, especially the 370,000 metric tons goal for deep-sea fishing will surely not be reached. They urged authorities to make thorough review and take measures for improvement. As for fish culture, they pointed out, although the total output is higher than the same period of last year, it still cannot attain the 212,000 metric ton target because of the losses from two floods this year. [Taipei CNA in English 0239 GMT 18 Nov 81 OW]

LIAO CHENGZHI VIEWS KMT-CCP COOPERATION

HK290810 Hong Kong HSIN WAN PAO in Chinese 29 Nov 81 p 4

[Dispatch from Beijing: "NPC Standing Committee Vice Chairman Liao Chengzhi Says CCP Is Optimistic About KMT-CCP Cooperation"]

[Text] The latest issue of LIAOWANG publishes Liao Chengzhi's talk on the problem of returning Taiwan to the motherland. He says that it is possible to return Taiwan to the motherland and realize peaceful reunification, although the road is tortuous. However, the movement of the wheel of history is always faster than people expect, and any attempt to block the reunification is of no avail.

Liao Chengzhi expressed this view when interviewed by reporters of LIAOWANG.

He added: The most important thing is to have a correct understanding of the "nine-point proposal" put forth by Chairman Ye Jianying on the eve of National Day. He stressed that the nine-point proposal is neither an expedient measure nor a strategic plan and propaganda offensive. In particular, it is not used to "challenge" the KMT. On the contrary, it is based on the major programs and the fundamental interests of our country and nation. We should follow the principle for the sake of the unity of our motherland and the interests of our nation.

Liao Chengzhi said: "It is unnecessary to settle old accounts. If we always try to settle old accounts, no talks can be started." He pointed out: Cooperation between the Chinese Communist Party and the Kuomintang on every occasion always benefits the two parties and the progress and development of our country. It is wrong to say that the cooperation will only benefit the CCP. Taiwan will also derive great advantages from the cooperation.

Liao Chengzhi added: The CCP is optimistic about the third cooperation. We put forth the nine-point proposal because it is possible to follow it.

He went on to say that of course the matter is not plain sailing, and the road will be tortuous. We might have to struggle against foreign forces opposed to the reunification. He stressed: Reunification is not what some people in foreign countries wish. However, any attempts to block the reunification will be of no avail. He pointed out that people in the mainland and Taiwan are flesh and blood, because we are all Chinese. Blood is thicker than water. Kindred feelings are the things of primary importance. Liao Chengzhi emphasized that the Taiwan authorities always stick to the two principles: unifying the motherland and opposing the hegemonists. Based on these two starting points, both sides may seek more common ground.

Liao Chengzhi also said: The great cause of the reunification of China is China's internal affair. We should neither let foreign countries interfere nor ask for help from them. However, we believe that our friendly neighboring countries will play a good role.

WEN WEI PO ON CHINA'S ISSUE OF BONDS ABROAD

HK271019 Hong Kong WEN WEI PO in Chinese 27 Nov 81 p 2

[Report from Beijing by contributing correspondent Yun Tan [0061 3225]: "China Issues Bonds Abroad for the First Time -- Interview With Lei Pingyi, Deputy Manager of Finance Department of China International Trust and Investment Co."]

[Text] At the third meeting of the board of directors of the China International Trust and Investment Company [CITIC] on 22 November, Chairman of the board and concurrently General Manager Rong Yiren declared: "With the approval of the State Council, the company will issue private bonds in the Japanese currency totalling 10 billion yen. This is a new way to attract foreign funds. It also marks the first time since the founding of the PRC that bonds are being placed on the foreign monetary market. In the past half year, the company has held many talks with the Japanese Nomura Securities Company. After repeated discussions, the contents of the agreement have been basically worked out. An agreement on the floating of a bond issue will be signed before long."

It was learned by the reporter that after the news about the issue of bonds in Japanese currency by CITIC was first revealed by the Japanese press in Tokyo, this aroused the attention of world opinion and also produced a great impact on the international monetary market. For this reason, the reporter visited Deputy Manager Lei Pingyi of the finance department of CITIC. The following information was obtained by the reporter after an interview with the deputy manager.

Lei Pingyi said: "As far as the issue of bonds abroad is concerned, we are still in a stage of accumulating experience. This is because since the founding of the PRC, we have never floated a bond issue abroad. But on the international monetary market, apart from obtaining loans from banks or financial groups, the issue of bonds has become an important way to raise money. Compared with a loan, a bond issue has its advantages."

Deputy Manager Lei Pingyi then pointed out the three advantages of a bond issue.

1. Long term. A loan with a bank for a period of over 5 years is considered a long-term one. Such a long-term loan is not easy to procure. A bond issue is different. Take the forthcoming issue of private bonds in the Japanese currency for example. The term agreed upon is for a period of 12 years and is relatively long.

2. The amount of money is relatively large. A bank does not often grant a loan amounting to \$30 million. Only several banks as a group or a banking syndicate will make such a loan. The forthcoming issue of private bonds involves 10 billion yen, or the equivalent of over \$45 million. If public bonds are issued, the sum realized at one time can come to 40 or 50 billion yen.

3. The impact is relatively great. A loan involves dealing with one or more banks. A bond issue is publicly known and can serve to enhance the reputation of the issuer. According to regulations stipulated by the Japanese Ministry of Finance, foreign enterprises must generally have a government guarantee when issuing bonds in Japan. Because of the standing and nature of CITIC, such a guarantee is not required.

"What is the difference between private and public bonds?" asked the reporter.

"Public bonds can be placed on the stock exchange market and openly traded and do not bear the name of the holder. An issue can bring in 40 or 50 billion yen. Private bonds are bought by a small number of stated investment institutions and not openly sold or put on the market. The name of the holder is written down. An issue generally amounts to 10 billion yen."

The reporter also found out how preparations had been made for the forthcoming issue of private bonds in yen.

Early this year, with the approval of the State Council, CITIC issued a letter of intent appointing the Japanese Nomura Securities Company as the leader arranger and the Bank of Tokyo-Mitsubishi and the Yamato Securities Company as co-arrangers and proposing an issue of private bonds in yen amounting to a figure between 10 billion and 15 billion yen. The Nomura Securities Company and the Yamato Securities Company rank among the four giants in the Japanese stock market. The Nomura Securities Company is the largest of them. At that time, the Japanese Ministry of Finance had also just decided to restore the issue of private bonds in the Japanese currency. Over 40 large enterprises of various countries and international financial organizations registered in Japan for the issue of private bonds. The Japanese Ministry of Finance provided for only one bond issue a month, the maximum amount being 10 billion yen. Only after a process, did the Japanese Ministry of Finance agree to let CITIC issue private bonds in Japan amounting to 10 billion yen. Therefore, the forthcoming issue of private bonds in the Japanese currency will not only help us accumulate experience in continuously issuing bonds abroad and enhance our reputation but also opens a new path for our use of foreign funds to serve the "four modernizations."

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